



# **New Business Creation and the Urban Economy**

---

**by John H. Friar**

## **Introduction**

Policymakers have long grappled with the challenge of revitalizing cities whose economies have declined as manufacturing jobs moved elsewhere. Older industrial cities' economic woes have compounded other problems, including municipal budget crises, struggling schools, high crime rates, and persistent poverty.

Pioneer Institute's Middle Cities Initiative helps Massachusetts and its cities implement a comprehensive agenda for improving city governance and reviving the urban economy. This paper explores what state and U.S. Census data reveal about patterns of job growth and business creation in our Middle Cities. Mayors, city managers and directors of economic development should consider this data when determining their economic development strategies, particularly which sectors and sizes of businesses to emphasize.

## **Why "Middle Cities?"**

Massachusetts' older industrial cities are politically and economically in limbo. Politically, they have neither the traditional power base of greater Boston nor the burgeoning political clout of the suburbs.

---

Founded in 1988, Pioneer Institute is a non-partisan public policy think tank committed to keeping Massachusetts economically competitive and to strengthening the core values of an open society. Pioneer's Center for Economic Opportunity (CEO) keeps Massachusetts competitive by promoting a healthy business climate, transparent regulation and the revitalization of our urban economy.

Economically, these cities' industrial bases have declined, and they have had difficulty attracting new businesses. They are without political cohesion, and the state lacks an integrated strategy to restore the economic vitality of these cities.

As they are trapped in the middle, politically and economically, Pioneer Institute has designated fourteen cities in Massachusetts as "Middle Cities." Most of the Middle Cities have populations of at least 40,000, with per capita income under \$20,000 and per capita property value under \$80,000. For geographical distribution, Fitchburg and Pittsfield were also included, although the former is just below the population cutoff and the latter has a higher per capita income than the \$20,000 threshold.

**The Middle Cities of Massachusetts**

Brockton	Lawrence	Pittsfield
Chicopee	Leominster	Springfield
Fall River	Lowell	Taunton
Fitchburg	Lynn	Worcester
Holyoke	New Bedford	

All fourteen cities have higher levels of unemployment than the state average, with the exception of Pittsfield, which ties the state average.<sup>1</sup> While per capita income varies across the cities, as a whole they have a high concentration of poverty, in comparison to state levels. In 1999, the per capita income in the Middle Cities was between \$4,000 and \$12,000, or 16 to 50 percent, lower than the state average.<sup>2</sup>

**Large vs. Small Businesses:  
A Comparison of Hiring Patterns**

Fundamentally, any economic development strategy is about jobs. While the Middle Cities once relied on large industrial firms for a significant portion of overall employment, this is no longer the case. The question for state and municipal policymakers is: can new big businesses replace the old?

The data suggest that big companies are no longer the most important job generators in the American economy. Although large firms, which are defined as companies employing 500 or more people,<sup>3</sup> garner much of the publicity when business is covered in the media, their importance for job growth nationwide appears to have diminished since 2001. In the first quarter of 2001, the time of peak employment in the US before the 2001 recession, half of all private sector jobs were in small firms and half in large firms.<sup>4</sup> Of the 115 million jobs in 2001, 57.4 million were in small firms and 57.7 million in large.

Employment did not recover to its 2001 peak level of 115 million jobs until 2004. This recovery marked a shift in hiring patterns, compared to the previous, post-1991 recovery. From 1991 to 2001, large firms grew more strongly than small firms. From the 1991 employment trough, employment in large firms grew 2.9% a year versus 1.6% for small firms. But since the 2001 recession, most job growth has not come from rehiring by large companies, but rather from startups, especially the newly self-employed. A closer analysis of this trend reveals other major shifts.

First, employment in large companies declined for two years and had not yet returned to its previous levels by 2004. Employment in small companies dipped for only one year and then exceeded its prior level in the second year. Small firms resumed their growth while large firms were still shedding jobs.

Another shift was that growth in the number of self-employed workers continued throughout the 2001-2004 period. From 2001 to 2004, 2.6 million additional people were running their own one-person firms.

A third shift that occurred from 2001 to 2004 is that the average size of US firms, both large and small, shrank. The average size of large companies has shrunk from 3,321 employees per company to 3,313. Small firms saw a similar decline in average size, as it took an additional 115,000 small companies to achieve the same employment levels as the first quarter of 2001.

To summarize, the number of large companies declined during the recession, and has not rebounded to pre-recession levels. The remaining large firms are, on average, smaller than before. Meanwhile, even though there are now more small companies, the average small company employs fewer people than it had before the 2001 recession. If these trends continue, the economy will not be able to add jobs without the addition of new companies.

The story for Massachusetts is a little more complicated. Unlike the US as a whole, Massachusetts in the first quarter of 2007<sup>5</sup> had not yet recovered the jobs lost since the 2001 peak. Employment continued to decrease for four years, with small increases beginning in 2006. The overall decline in employment was slightly larger for

large firms than small: -4.9% versus -4.7%. Small business employment has recovered since 2002, but has not yet regained its 2001 peak.

As with the national pattern, many additional firms were needed to get the same level of employment. The number of employees at large firms shrank because there were fewer large companies that employed, on average, fewer workers. It is striking that while the average large company nationwide employed 3,313 workers, the average large company in Massachusetts employed only 527. The average size of a small company, approximately ten employees, is virtually the same nationwide and in Massachusetts.

In spite of these differences, the Massachusetts economy follows many of the national trends. The largest increase has been in self-employment, which grew steadily during the period. Most job growth has occurred in small firms, mostly due to the creation of new companies. As with the US, job creation and business creation appear to be tightly coupled in Massachusetts. Given these trends, it appears more likely that job recovery in the Middle Cities will require the addition and growth of small businesses, not just the attraction or retention of large employers.

### **The Impact of Business Creation on Overall Employment**

Rates of business creation tend to be positively related to rates of job growth. We looked at state data to explore how the Middle Cities fared in terms of job growth and firm creation. The Massachusetts Department of Labor publishes data for each city, measuring the number of employers and the number

of people employed from 2001 until the third quarter of 2006. This data is derived from state unemployment payments made by employers. The data are broken out by NAICS (North American Industry Classification System) codes, but not by size of company.

We also made an adjustment to the data, as it includes a classification that is not a business: private households. When a household hires a baby sitter, a gardener, or a maid, they get counted as a business even though they are not taking on any of the activities of a normal business. When we adjusted for this, the impact on the ranking of most cities in terms of the percent change in the number of businesses created from 2001 to 2006 was minor, with one notable and one lesser exception<sup>6</sup>: the actual percentages changed but not their relative

rankings.

Table 1 shows that, in 10 of 14 cases, business creation and job growth were positively correlated. (There was an almost insignificant deviation in Pittsfield, where there was minimal change in business creation or job growth rates.) In one of the four cases, Chicopee, there was business growth with no job growth or loss. The other three cities –Lawrence, Lowell and Fall River–created new businesses but had negative job growth during the 2001-2006 period.

These three communities lost jobs in the fields of manufacturing and management (see individual community appendices for sector-specific information). Each city also lost jobs in a particular industry category: Information for Lowell, Administrative for Lawrence, and Utilities for Fall

**Table 1: Growth in Middle Cities’ Jobs and Businesses; Layoffs and Resulting Job Losses, 2001-2006<sup>7</sup>**  
 (Source: Massachusetts Department of Labor; U.S. Bureau of Labor Statistics)

	Business Growth	Job Growth	Mass Layoff	Separations from
	2001 - 2006Q3 Adjusted	2001 - 2006Q3 Adjusted	Events	Mass Layoffs
			(2001 - 2006)	
<b>Taunton</b>	8.50%	7.19%	0	0
<b>Lawrence</b>	5.69%	-7.06%	21	3,043
<b>Leominster</b>	5.11%	0.35%	*	*
<b>Chicopee</b>	3.85%	-0.83%	8	1,511
<b>New Bedford</b>	3.31%	4.96%	16	1,932
<b>Brockton</b>	2.97%	5.84%	6	821
<b>Lowell</b>	1.95%	-7.27%	17	2,168
<b>Fall River</b>	1.39%	-6.47%	21	2,747
<b>Pittsfield</b>	-0.15%	0.42%	*	*
<b>Holyoke</b>	-0.20%	-9.37%	11	1,135
<b>Worcester</b>	-1.81%	-2.63%	15	1,901
<b>Fitchburg</b>	-2.62%	-8.81%	7	834
<b>Lynn</b>	-3.43%	-0.69%	3	253
<b>Springfield</b>	-4.23%	-3.84%	16	2,909

River. In Table 1, mass layoff data shows that each community had a number of major layoff events, resulting in the loss of thousands of jobs from 2001 to 2006. The growth in new smaller businesses has not made up for the job losses from bigger companies. In Lawrence and Lowell, however, the trend lines have changed since 2006, as they are now adding jobs. Fall River has yet to turn the trend around.

It is very difficult to achieve job growth without business creation. Even when a city has business growth, it may not see net job growth for a period of time due to the loss of major employers.

**A Comparison of Business Creation Rates in the Middle Cities**

As demonstrated by national and state-level data, job growth in today’s economy is driven by growth in the number of companies. The economic revitalization of the Middle Cities, barring the statistically unlikely event of a major large employer relocating, depends on their ability to attract or incubate new businesses. Other data enable us to compare the relative success of each Middle City, and to highlight development strategies that could benefit the Commonwealth’s entire urban economy.

Census data were used to determine the number of businesses by industry and by size for the years 1998 through 2003, the most current years available. The Census is the only data source that breaks out the number of companies by size. Census data

**Table 2: Change and Relative Position of Middle Cities’ Business Growth Rates, 1998-2003**  
(Source: U.S. Census)

	<b>Firms Per Capita 2003</b>	<b>Firms Per Capita 1998</b>	<b>Growth Rate 1998 – 2003</b>	<b>Annual Growth Rate 1998 to 2003</b>	<b>Income per capita</b>
<b>Brockton</b>	Below	Below	53.10%	8.89%	Average
<b>Springfield</b>	Average	Below	24.20%	4.44%	Below
<b>Lawrence</b>	Below	Below	16.70%	3.14%	Below
<b>Taunton</b>	Above	Above	11.90%	2.28%	Above
<b>New Bedford</b>	Average	Average	11.00%	2.11%	Below
<b>Fall River</b>	Average	Average	10.20%	1.95%	Below
<b>Holyoke</b>	Above	Above	9.60%	1.84%	Below
<b>Lowell</b>	Below	Below	7.80%	1.49%	Average
<b>Lynn</b>	Below	Below	7.70%	1.50%	Average
<b>Worcester</b>	Average	Average	3.50%	0.70%	Above
<b>Chicopee</b>	Below	Below	3.30%	0.65%	Above
<b>Leominster</b>	Above	Above	1.80%	0.35%	Above
<b>Pittsfield</b>	Above	Above	1.30%	0.26%	Average
<b>Fitchburg</b>	Below	Average	-2.80%	-0.65%	Average

are derived from federal income tax returns of companies that had revenue and employees. Because Census data comes from the IRS, it is released a couple of years after the year measured. The data are broken out by postal ZIP code, from which we aggregated citywide data.<sup>8</sup> Non-employer companies (i.e. legal entities without employees) are tracked at the county level but not at the city or ZIP code level, so they were not included in the analysis.

Table 2 lists the cities and their annual growth rates in number of companies. The sample divides roughly into thirds, with five cities (Worcester, Chicopee, Leominster, Pittsfield, and Fitchburg) having annual growth below 1%, five (Brockton, Springfield, Lawrence, Taunton, and New Bedford) with growth above 2%, and four (Fall River, Holyoke, Lowell, and Lynn) in the middle. (See Appendix 1 for growth rates by industry and city.)

We examined the possible correlation between the number of companies per capita at the beginning of the period and the business growth rate. In other words, did a greater initial supply of businesses result in greater creation of new firms? The number of companies was normalized by population to determine the number of firms per capita. On a per capita basis, the sample was divided roughly into thirds as follows: Cities with an above-average number of companies per capita; average; and below, with each third having companies that grew rapidly, moderately, and slowly. Only two of the cities changed their per capita rankings with this approach. Springfield shifted from below average to average while Fitchburg went from average to below average. Based on these results, we deemed the initial number of establishments, on a per capita basis, to be unimportant.

Looking more closely at the city data over time

reveals additional information about growth patterns. First, unlike the rest of the Massachusetts economy, the Middle Cities did not experience an internet bubble. As a whole, Massachusetts experienced a sharp drop-off in the number of companies in 2002. In the Middle Cities, however, the overall trend lines stayed relatively stable through the recession, as shown in Table 3. If Middle Cities dipped, they started dipping in 2000. Several cities, moreover, grew in 2002 rather than retrenching. These cities, therefore, follow somewhat different economic trends than the state as a whole.

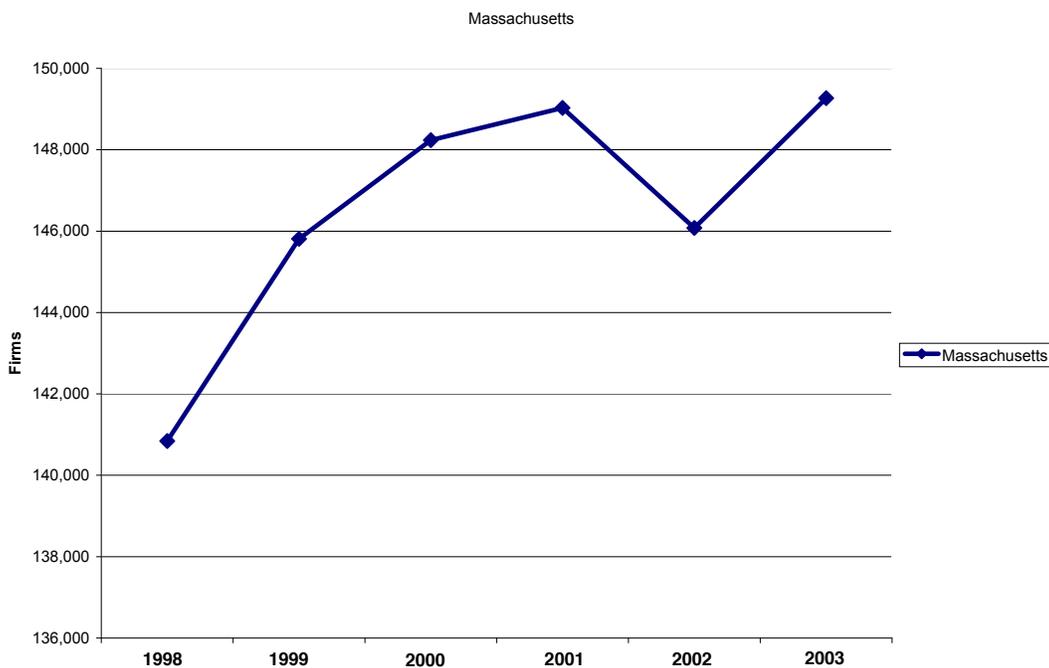
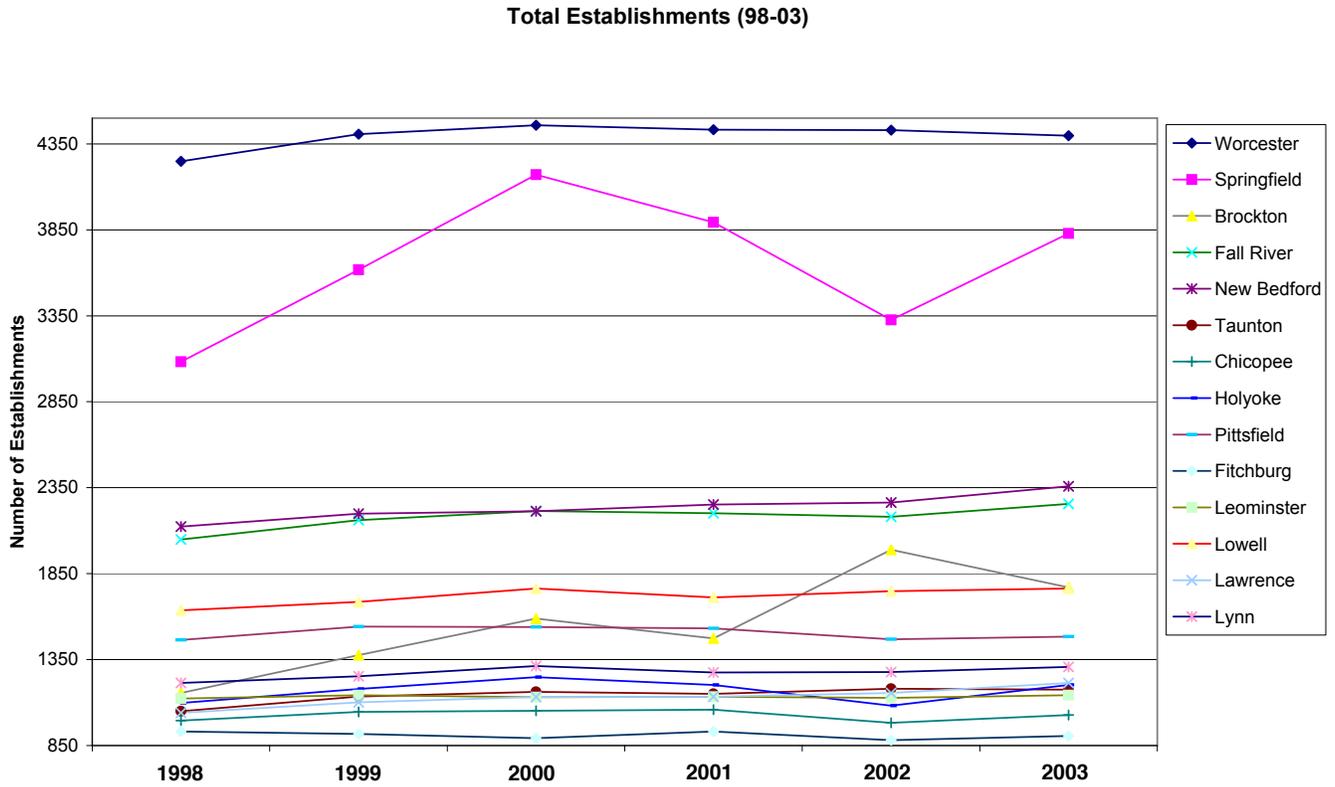
We next examined each city's business growth by industry and size (see Appendix for data on each city by size and segment). To break down the data by industry, two-digit NAICS classification codes provide twenty-one industry segments.

The cities that experienced the fastest growth did so by growing businesses in the greatest number of industries and in the most business sizes. The fastest growing city, Brockton, had increases in sixteen industries and decreases in only two. On the other hand, the only city experiencing decline, Fitchburg, had growth in only four industries and decline in thirteen. The cities with high growth averaged growth in 12.2 industries, while the moderate growth cities averaged 8.75, and the slow growth cities averaged 7.20. Growth came, in general, not from select industries but rather across many industries.

In 10 of 14 cases, the fastest growth in number of businesses came in the smallest size. To determine this, we analyzed business size data, using five different size categories based on the count of employees. The categories are variants of size categories used in the entrepreneurship literature:

**Table 3: Growth in Number of Businesses in Middle Cities; Growth in Number of Businesses in Massachusetts 1998-2003**

Source: U.S. Census



large (500 or more), midsize (100-499), small (20-99), micro-high (5-19), and micro-low (1-4).<sup>9</sup> The cities with the fastest growth had growth in an average of 3.6 sizes, the moderately growing in 2.5 sizes, and the slow in 1.4 sizes.<sup>10</sup> The converse was similar in that the fastest growing cities had declines on average in one size, the medium in 2 and the slow in 2.6. In the thirteen cities that had a decline in at least one business size, the biggest declines came in the largest sizes in eleven cases. Three of the six slowest growth cities did not have their fastest growth in the smallest sized businesses.

## **Conclusion**

The growth in the number of firms and the growth in jobs are typically positively correlated. The only cases where this was not true were cities that had experienced a significant volume of major layoff events from large employers.

The following patterns emerge from data on firm creation:

- Growth comes from multiple industry sectors.
- Growth comes from multiple business sizes.
- Growth is fastest in the smallest firm sizes. If this is not true, the city experiences slow overall growth.
- Decline is mostly in the larger business sizes.
- Growth patterns in Middle Cities are not the same as statewide trends.

This research suggests several policy strategies that could benefit the Middle Cities' economies. First, the value of development efforts that focus only on specific industries or large companies may be

limited. Cities should seek to attract or encourage the creation of small companies to make up for the loss of bigger companies. Also, policy leaders should consider that the state's policy priorities for statewide economic development might not work in our Middle Cities.

---

**John H. Friar** is Executive Professor of Entrepreneurship and Innovation at Northeastern University's College of Business Administration. Professor Friar has researched and written on the subjects of marketing strategy, management of innovation, and technology strategy, with emphases on radical innovations and start-up companies. His articles have appeared in *Research\*Technology Management*, *Small Business Economics*, *Journal of Management Education*, *Journal of Product Innovation Management* and other similar journals. An active consultant, he has special interest in the medical electronic, computer, and telecommunications industries. Professor Friar has been involved in the start-up of several companies and currently serves on the board of several others. He has held positions in planning, marketing, and finance at N.A. Philips and was a software engineer at Draper Laboratories. Professor Friar has also taught at Clark University, Brandeis University, Melbourne University in Australia, and Ecole Nationale des Ponts et Chaussées in Paris. He holds a Ph.D. from MIT's Sloan School of Management and MBA and A.B. degrees from Harvard University.

## Notes

1. From Department of Revenue, Division of Local Services data, cited on pg. 11 of *Rehabbing Urban Redevelopment*, Jim Stergios, Pioneer Institute, February 2007.
2. From Department of Revenue, Division of Local Services data, cited on pg. 11 of *Rehabbing Urban Redevelopment*.
3. The federal Small Business Administration's Office of Advocacy defines the dividing point between small and large companies as 500 employees.
4. The numbers in this section are based on data from the SBA Office of Advocacy and cover 1988-2004.
5. Additional post-2004 data come from MA ES 202.
6. The city that was most affected was Springfield. By the unadjusted data, Springfield had the fastest growth in number of businesses. By the adjusted data, however, Springfield had the greatest loss of businesses because almost half of the businesses in Springfield are private households. Holyoke was also affected, as it went from third place to tenth. Taunton, Leominster, and Pittsfield moved up relatively, as private households were not a major element in the number of businesses for them. See Table 1 for the new growth rates and the Appendix for each city's data.
7. Note that measured time periods for job and business creation are slightly different from those for Mass Layoffs and Separations. Also, data fields with asterisks denote unreleased data. Agency standards dictate that layoff separations are not disclosed in communities where only a single event occurred, because disclosure would reveal the separations resulting from the single event. Lastly, mass layoff events are defined as 50 or more employees filing for unemployment insurance during a five week period for a layoff of over 30 days.
8. Because postal codes do not necessarily match city boundaries exactly, there may be some slight over- or under-counting.
9. Friar, J. and Eddleston, K. 2003. "What It Takes To Succeed Depends On Small Business Type: A Contingency Typology For Small Businesses," *Proceedings of the Academy of Management*.

10. One intriguing finding that merits further review is that, in every city, the fastest industry growth segment encompasses "Unclassified" businesses that employ very few people. This has two possible explanations: the economy is changing as people are starting companies in new industries outside of the current classification structure, or the people who start small companies do not know (or don't care to report) what industry they are in. Either way, this means that the greatest growth in new businesses involves companies that will not be easy to identify using traditional methods, either because the entrepreneurs are in new industries or do not identify themselves with an established industry.

**Please see pages 10-37 for  
Appendix of Middle Cities' data.**



**PIONEER INSTITUTE**  
PUBLIC POLICY RESEARCH

85 Devonshire St., 8th Floor, Boston, MA 02109

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

## Appendix

### City-by-City Data

#### BROCKTON

#### 1998-2003 Changes in Businesses (US Data)

Industry Code	Industry Code Description	Compound Annual Growth Rate by industry and size					
		Total Estab	Micro 01 to 04	Micro 05 to 19	Small 20 to 99	Midsize 100 to 499	Large 500 or more
11----	Forestry, fishing, hunting, and agriculture	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
21----	Mining	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22----	Utilities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23----	Construction	7.87%	10.76%	4.18%	2.38%	-100.00%	0.00%
31----	Manufacturing	-1.94%	-1.02%	-7.03%	3.71%	-7.79%	0.00%
42----	Wholesale trade	3.08%	-2.55%	14.87%	0.00%	0.00%	0.00%
44----	Retail trade	6.47%	3.78%	6.42%	16.36%	21.67%	0.00%
48----	Transportation & warehousing	10.93%	14.87%	3.71%	14.87%	0.00%	0.00%
51----	Information	23.36%	21.67%	24.57%	14.87%	31.95%	0.00%
52----	Finance & insurance	14.57%	11.14%	23.03%	6.96%	0.00%	0.00%
53----	Real estate & rental & leasing	10.20%	8.76%	17.98%	-19.73%	0.00%	0.00%
54----	Professional, scientific & technical services	4.63%	2.55%	8.45%	12.47%	0.00%	0.00%
55----	Management of companies & enterprises	24.57%	-100.00%	47.58%	31.95%	0.00%	0.00%
56----	Admin, support, waste mgt, remediation ser	9.86%	6.76%	10.76%	29.67%	0.00%	0.00%
61----	Educational services	13.40%	24.57%	0.00%	24.57%	0.00%	0.00%
62----	Health care and social assistance	10.76%	9.60%	12.20%	10.99%	8.45%	14.87%
71----	Arts, entertainment & recreation	5.29%	10.20%	8.45%	-9.71%	0.00%	0.00%
72----	Accommodation & food services	3.78%	2.21%	9.18%	0.00%	0.00%	0.00%
81----	Other services (except public administration)	6.00%	6.86%	2.48%	37.97%	14.87%	0.00%
95----	Auxiliaries (exc corporate subsidiary)	-100.00%	0.00%	0.00%	0.00%	-100.00%	0.00%
99----	Unclassified establishments	100.74%	100.74%	0.00%	0.00%	0.00%	0.00%
<b>Total</b>		<b>8.89%</b>	<b>9.58%</b>	<b>8.07%</b>	<b>7.67%</b>	<b>7.89%</b>	<b>24.57%</b>

Brockton experienced increases in all industries but two and in all business sizes.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

BROCKTON

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of	Average
	Establish- ments	Monthly Employment
<b>Total, All Industries</b>	2.974%	5.8390%
23 - Construction	25.714%	15.9292%
31-33 - Manufacturing	-20.175%	-20.6637%
42 - Wholesale Trade	-1.149%	-41.4335%
44-45 - Retail Trade	-0.647%	2.1517%
48-49 - Transportation and Warehousing	35.714%	-5.0463%
51 - Information	-6.250%	-37.1429%
52 - Finance and Insurance	1.075%	15.0990%
53 - Real Estate and Rental and Leasing	12.727%	19.1419%
54 - Professional and Technical Services	9.150%	-16.1329%
55 - Management of Companies and Enterprises	11.765%	-3.6765%
56 - Administrative and Waste Services	-3.261%	102.5812%
61 - Educational Services	0.000%	169.5122%
62 - Health Care and Social Assistance	-2.198%	11.7817%
71 - Arts, Entertainment, and Recreation	6.667%	48.0620%
72 - Accommodation and Food Services	10.526%	13.1317%
81 - Other Services, Ex. Public Admin	2.907%	39.7972%

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

CHICOPEE

1998-2003 Changes in Businesses (US Data)

Industry Code	Industry Code Description	Compound Annual Growth Rate by industry and size					
		Total Estab	Micro 01 to 04	Micro 05 to 19	Small 20 to 99	Midsize 100 to 499	Large 500 or more
11----	Forestry, fishing, hunting, and agriculture	-100.00%	-100.00%	0.00%	0.00%	0.00%	0.00%
21----	Mining	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22----	Utilities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23----	Construction	2.49%	2.38%	2.02%	8.45%	-7.79%	0.00%
31----	Manufacturing	-1.78%	0.00%	-5.42%	-0.75%	0.00%	14.87%
42----	Wholesale trade	-5.98%	-5.22%	-6.17%	-8.97%	0.00%	0.00%
44----	Retail trade	-3.62%	-3.99%	-4.31%	-2.33%	10.76%	0.00%
48----	Transportation & warehousing	3.40%	10.76%	5.92%	-6.51%	0.00%	0.00%
51----	Information	5.92%	18.47%	-12.94%	-100.00%	0.00%	-100.00%
52----	Finance & insurance	0.00%	0.00%	0.70%	-9.71%	0.00%	0.00%
53----	Real estate & rental & leasing	-2.33%	1.26%	-14.33%	0.00%	0.00%	0.00%
54----	Professional, scientific & technical services	1.76%	-0.65%	8.45%	-100.00%	0.00%	0.00%
55----	Management of companies & enterprises	14.87%	-12.94%	14.87%	0.00%	0.00%	0.00%
56----	Admin, support, waste mgt, remediation services	1.42%	8.92%	-10.59%	7.63%	-100.00%	0.00%
61----	Educational services	0.98%	5.92%	0.00%	-7.79%	-12.94%	0.00%
62----	Health care and social assistance	1.47%	-4.62%	5.15%	1.39%	0.00%	0.00%
71----	Arts, entertainment & recreation	0.00%	14.87%	-19.73%	0.00%	0.00%	0.00%
72----	Accommodation & food services	-2.02%	-4.67%	0.89%	-2.55%	0.00%	0.00%
81----	Other services (except public administration)	-0.89%	-0.79%	-2.28%	9.86%	0.00%	0.00%
95----	Auxiliaries (exc corporate & subsidiary)	-100.00%	-100.00%	-100.00%	0.00%	0.00%	0.00%
99----	Unclassified establishments	94.73%	94.73%	0.00%	0.00%	0.00%	0.00%
<b>Total</b>		<b>0.65%</b>	<b>2.92%</b>	<b>-1.88%</b>	<b>-0.43%</b>	<b>0.62%</b>	<b>0.00%</b>

Chicopee had growth in nine industries, declines in seven industries and zero growth in four. Chicopee had growth in two of five sizes.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

CHICOPEE

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of Establishments	Average Monthly Employment
<b>Total, All Industries</b>	3.854%	-0.830%
11 - Agriculture, Forestry, Fishing & Hunting	0.000%	-15.584%
23 - Construction	45.122%	5.888%
31-33 - Manufacturing	-11.881%	-11.494%
DUR - Durable Goods Manufacturing	-9.524%	23.590%
NONDUR - Non-Durable Goods Manufacturing	-15.789%	-38.740%
42 - Wholesale Trade	-5.660%	8.213%
44-45 - Retail Trade	1.290%	16.543%
48-49 - Transportation and Warehousing	7.692%	-21.048%
51 - Information	-10.000%	8.413%
52 - Finance and Insurance	0.000%	-0.279%
53 - Real Estate and Rental and Leasing	-4.651%	34.969%
54 - Professional and Technical Services	26.087%	100.000%
55 - Management of Companies and Enterprises	14.286%	-17.884%
56 - Administrative and Waste Services	2.174%	-5.525%
61 - Educational Services	8.333%	-20.418%
62 - Health Care and Social Assistance	-4.478%	7.275%
71 - Arts, Entertainment, and Recreation	-33.333%	-62.810%
72 - Accommodation and Food Services	2.727%	0.423%
81 - Other Services, Ex. Public Admin	0.885%	5.112%

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

FALL RIVER

1998 -2003 Changes in Businesses (US Data)

Compound Annual Growth Rate by industry and size

Industry Code	Industry Code Description	Total Estab	Micro 01 to 04	Micro 05 to 19	Small 20 to 99	Midsize 100 to 499	Large 500 or more
11----	Forestry, fishing, hunting, and agriculture	0.00%	14.87%	0.00%	-100.00%	0.00%	0.00%
21----	Mining	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22----	Utilities	-7.79%	-100.00%	14.87%	-12.94%	0.00%	0.00%
23----	Construction	-0.24%	-0.84%	1.53%	0.00%	0.00%	0.00%
31----	Manufacturing	-1.69%	0.40%	0.62%	-4.43%	-8.19%	14.87%
42----	Wholesale trade	0.47%	0.51%	-1.21%	3.71%	8.45%	0.00%
44----	Retail trade	-1.06%	-0.57%	-3.21%	4.56%	0.00%	0.00%
48----	Transportation & warehousing	-0.58%	-7.37%	11.38%	0.00%	0.00%	0.00%
51----	Information	0.00%	3.71%	-12.94%	8.45%	0.00%	0.00%
52----	Finance & insurance	0.16%	-1.82%	1.01%	0.00%	0.00%	0.00%
53----	Real estate & rental & leasing	6.69%	7.03%	7.28%	-12.94%	0.00%	0.00%
54----	Professional, scientific & technical servi	0.89%	0.17%	2.57%	14.87%	-100.00%	0.00%
55----	Management of companies & enterprises	2.71%	-5.59%	24.57%	-12.94%	0.00%	0.00%
56----	Admin, support, waste mgt, remediation ser	-4.71%	-2.98%	-12.94%	0.00%	8.45%	-100.00%
61----	Educational services	-1.98%	0.00%	0.00%	-16.74%	0.00%	0.00%
62----	Health care and social assistance	1.10%	0.00%	1.29%	2.56%	1.39%	0.00%
71----	Arts, entertainment & recreation	9.86%	1.92%	35.10%	8.45%	0.00%	0.00%
72----	Accommodation & food services	-0.12%	-3.58%	6.03%	-0.56%	-100.00%	0.00%
81----	Other services (except public administration)	1.40%	0.62%	4.50%	-4.71%	0.00%	0.00%
95----	Auxiliaries (exc corporate, subsidiary & r	-100.00%	0.00%	-100.00%	-100.00%	0.00%	0.00%
99----	Unclassified establishments	87.40%	86.49%	0.00%	0.00%	0.00%	0.00%
<b>Total</b>		<b>1.95%</b>	<b>3.09%</b>	<b>1.14%</b>	<b>-0.45%</b>	<b>-0.75%</b>	<b>6.96%</b>

Fall River had growth in nine industries, declines in nine, and zero growth in three. It had declines in two of five sizes with the fastest growth in the large.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

FALL RIVER

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of	Average
	Establish- ments	Monthly Employment
<b>Total, All Industries</b>	1.3918%	-6.46483%
23 - Construction	23.1638%	38.03922%
31-33 - Manufacturing	-9.6447%	-31.65216%
DUR - Durable Goods Manufacturing	-4.3478%	-30.15873%
NONDUR - Non-Durable Goods Manufacturing	-12.5000%	-32.23347%
22 - Utilities	-25.0000%	-38.62069%
42 - Wholesale Trade	3.2258%	11.16564%
44-45 - Retail Trade	-8.0745%	-5.69150%
48-49 - Transportation and Warehousing	28.5714%	18.90244%
51 - Information	0.0000%	50.26738%
52 - Finance and Insurance	-5.1282%	7.44602%
53 - Real Estate and Rental and Leasing	9.0909%	26.50177%
54 - Professional and Technical Services	13.6364%	2.08668%
55 - Management of Companies and Enterprises	26.6667%	-20.00000%
56 - Administrative and Waste Services	-6.8966%	-18.12908%
61 - Educational Services	10.0000%	40.00000%
62 - Health Care and Social Assistance	0.0000%	6.23029%
71 - Arts, Entertainment, and Recreation	46.1538%	35.75419%
72 - Accommodation and Food Services	3.0864%	3.27724%
81 - Other Services, Ex. Public Admin	-4.7120%	-0.19342%

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

FITCHBURG

1998-2003 Changes in Businesses (US Data)

Compound Annual Growth Rate by industry and size

Industry Code	Industry Code Description	Total Estab	Micro 01 to 04	Micro 05 to 19	Small 20 to 99	Midsize 100 to 499	Large 500 or more
11----	Forestry, fishing, hunting, and agriculture	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
21----	Mining	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22----	Utilities	0.00%	0.00%	0.00%	0.00%	-100.00%	0.00%
23----	Construction	1.01%	4.47%	-6.01%	5.92%	0.00%	0.00%
31----	Manufacturing	0.96%	8.13%	-2.24%	0.93%	-12.94%	0.00%
42----	Wholesale trade	-3.58%	-2.82%	-5.11%	-2.64%	0.00%	0.00%
44----	Retail trade	-2.16%	-4.77%	-0.65%	3.50%	0.00%	0.00%
48----	Transportation & warehousing	-1.98%	5.92%	-12.94%	-3.58%	14.87%	0.00%
51----	Information	5.15%	37.97%	-19.73%	0.00%	0.00%	0.00%
52----	Finance & insurance	-1.21%	-5.59%	3.71%	-12.94%	14.87%	0.00%
53----	Real estate & rental & leasing	-0.61%	1.84%	-3.93%	-100.00%	0.00%	0.00%
54----	Professional, scientific & technical services	-0.93%	-4.46%	6.23%	0.00%	0.00%	0.00%
55----	Management of companies & enterprises	-9.71%	14.87%	-19.73%	-100.00%	0.00%	0.00%
56----	Admin, support, waste mgt, remediation ser	-0.51%	0.00%	1.92%	-27.52%	0.00%	0.00%
61----	Educational services	0.00%	-4.36%	8.45%	0.00%	0.00%	0.00%
62----	Health care and social assistance	-2.61%	-5.07%	-1.80%	0.00%	0.00%	0.00%
71----	Arts, entertainment & recreation	-3.93%	-3.58%	-100.00%	14.87%	0.00%	0.00%
72----	Accommodation & food services	-0.86%	0.00%	-3.43%	0.98%	-100.00%	0.00%
81----	Other services (except public administration)	-1.29%	-0.85%	-0.61%	-12.94%	0.00%	0.00%
95----	Auxiliaries (exc corporate & subsidiary)	-100.00%	-100.00%	0.00%	-100.00%	0.00%	0.00%
99----	Unclassified establishments	98.73%	97.44%	0.00%	0.00%	0.00%	0.00%
<b>Total</b>		<b>-0.56%</b>	<b>0.43%</b>	<b>-1.75%</b>	<b>-0.90%</b>	<b>-2.64%</b>	<b>0.00%</b>

Fitchburg had a net loss in businesses. They lost businesses in thirteen industries, had zero growth in four, and had growth in four. Fitchburg's only growth came in the smallest sized businesses.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

FITCHBURG

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of	Average
	Establish- ments	Monthly Employment
<b>Total, All Industries</b>	-2.6166%	-8.812%
23 - Construction	0.0000%	1.906%
31-33 - Manufacturing	-16.6667%	-16.308%
DUR - Durable Goods Manufacturing	-8.8889%	12.067%
NONDUR - Non-Durable Goods Manufacturing	-24.4444%	-31.771%
42 - Wholesale Trade	-7.5000%	1.087%
44-45 - Retail Trade	-12.7660%	-6.891%
48-49 - Transportation and Warehousing	33.3333%	11.111%
51 - Information	-18.1818%	-44.298%
52 - Finance and Insurance	30.0000%	-11.450%
53 - Real Estate and Rental and Leasing	9.6774%	-20.879%
54 - Professional and Technical Services	1.4925%	50.610%
55 - Management of Companies and Enterprises	-25.0000%	-12.987%
56 - Administrative and Waste Services	12.1951%	-36.383%
61 - Educational Services	-36.3636%	-31.447%
62 - Health Care and Social Assistance	-3.4188%	-13.365%
71 - Arts, Entertainment, and Recreation	50.0000%	80.672%
72 - Accommodation and Food Services	0.0000%	-6.858%
81 - Other Services, Ex. Public Admin	-3.1579%	-1.653%

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

HOLYOKE

1998-2003 Changes in Businesses (US Data)

Compound Annual Growth Rate by industry and size

Industry Code	Industry Code Description	Compound Annual Growth Rate by industry and size					Large 500 or more
		Total Estab	Micro <sup>2</sup> 01 to 04	Micro 05 to 19	Small 20 to 99	Midsize 100 to 499	
11----	Forestry, fishing, hunting, and agriculture	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
21----	Mining	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22----	Utilities	-15.59%	-12.94%	-100.00%	-12.94%	0.00%	0.00%
23----	Construction	-2.37%	-2.16%	-2.64%	-3.04%	0.00%	0.00%
31----	Manufacturing	-2.57%	-12.13%	4.75%	-1.78%	-8.64%	0.00%
42----	Wholesale trade	-2.18%	-3.38%	-2.64%	-1.73%	14.87%	0.00%
44----	Retail trade	-1.18%	-4.18%	-0.82%	3.30%	7.39%	0.00%
48----	Transportation & warehousing	-3.29%	-7.79%	8.45%	-12.94%	0.00%	0.00%
51----	Information	3.71%	-3.04%	8.45%	14.87%	0.00%	0.00%
52----	Finance & insurance	-1.47%	8.45%	-6.08%	0.00%	0.00%	0.00%
53----	Real estate & rental & leasing	2.57%	3.71%	2.13%	-19.73%	0.00%	0.00%
54----	Professional, scientific & technical services	-0.40%	2.13%	-4.62%	4.56%	-100.00%	0.00%
55----	Management of companies & enterprises	-11.09%	-7.79%	-7.79%	-19.73%	0.00%	0.00%
56----	Admin, support, waste mgt, remediation services	-4.36%	-6.79%	9.86%	-6.17%	-12.94%	0.00%
61----	Educational services	7.89%	-9.71%	55.18%	14.87%	0.00%	0.00%
62----	Health care and social assistance	1.19%	0.43%	2.83%	-2.09%	3.40%	0.00%
71----	Arts, entertainment & recreation	1.09%	1.61%	0.00%	0.00%	0.00%	0.00%
72----	Accommodation & food services	-2.61%	0.00%	-7.54%	-1.73%	24.57%	0.00%
81----	Other services (except public administration)	-1.85%	-2.09%	-1.02%	-7.79%	0.00%	0.00%
95----	Auxiliaries (exc corporate & subsidiary)	-100.00%	-100.00%	0.00%	0.00%	0.00%	0.00%
99----	Unclassified establishments	81.45%	85.56%	0.00%	0.00%	0.00%	0.00%
<b>Total</b>		<b>1.84%</b>	<b>4.80%</b>	<b>-0.44%</b>	<b>-1.41%</b>	<b>3.62%</b>	<b>0.00%</b>

Holyoke lost businesses in 13 industries, had growth in six, and had zero growth in two. They had growth in two of five size categories.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

HOLYOKE

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of	Average
	Establish- ments	Monthly Employment
<b>Total, All Industries</b>	-0.203%	-9.37389%
23 - Construction	7.692%	3.86399%
31-33 - Manufacturing	-6.452%	-34.50342%
DUR - Durable Goods Manufacturing	-8.889%	-50.37547%
NONDUR - Non-Durable Goods Manufacturing	-4.167%	-21.23755%
42 - Wholesale Trade	-8.163%	-17.49117%
44-45 - Retail Trade	-5.738%	-16.44323%
48-49 - Transportation and Warehousing	-16.667%	-43.02326%
51 - Information	-20.000%	-25.25773%
52 - Finance and Insurance	11.111%	-20.37736%
53 - Real Estate and Rental and Leasing	15.385%	56.39810%
54 - Professional and Technical Services	13.793%	13.23877%
55 - Management of Companies and Enterprises	14.286%	7.26496%
56 - Administrative and Waste Services	20.588%	22.54098%
61 - Educational Services	-7.692%	15.00000%
62 - Health Care and Social Assistance	-2.206%	2.67753%
71 - Arts, Entertainment, and Recreation	20.000%	14.70588%
72 - Accommodation and Food Services	2.299%	-8.82843%
81 - Other Services, Ex. Public Admin	-6.667%	22.95760%

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

LAWRENCE

1998 -2003 Changes in Businesses (US Data)

Compound Annual Growth Rate by industry and size

Industry Code	Industry Code Description	Total Estab	Micro 01 to 04	Micro 05 to 19	Small 20 to 99	Midsize 100 to 499	Large 500 or more
11----	Forestry, fishing, hunting, and agriculture	-100.00%	-100.00%	0.00%	0.00%	0.00%	0.00%
21----	Mining	0.00%	0.00%	0.00%	-100.00%	0.00%	0.00%
22----	Utilities	37.97%	0.00%	0.00%	0.00%	0.00%	0.00%
23----	Construction	6.46%	5.59%	10.07%	0.00%	0.00%	0.00%
31----	Manufacturing	-2.05%	1.34%	-7.60%	1.30%	0.00%	0.00%
42----	Wholesale trade	-3.43%	-2.52%	-2.47%	-9.71%	14.87%	0.00%
44----	Retail trade	1.23%	0.58%	1.01%	7.21%	0.00%	0.00%
48----	Transportation & warehousing	3.50%	5.92%	-3.58%	14.87%	0.00%	0.00%
51----	Information	0.00%	11.84%	-12.94%	-9.71%	0.00%	0.00%
52----	Finance & insurance	1.97%	-0.97%	4.32%	14.87%	0.00%	0.00%
53----	Real estate & rental & leasing	-4.90%	-7.00%	-3.29%	0.00%	0.00%	0.00%
54----	Professional, scientific & technical srvc.	5.77%	4.88%	9.86%	0.00%	0.00%	0.00%
55----	Management of companies & enterprises	-7.79%	-12.94%	-16.74%	24.57%	-100.00%	0.00%
56----	Admin, support, waste mgt, remediation ser	1.79%	7.78%	-6.51%	1.49%	-9.71%	0.00%
61----	Educational services	14.87%	18.47%	37.97%	-5.59%	0.00%	0.00%
62----	Health care and social assistance	5.70%	4.66%	8.10%	7.31%	-6.89%	0.00%
71----	Arts, entertainment & recreation	5.15%	11.84%	0.00%	-100.00%	0.00%	0.00%
72----	Accommodation & food services	-1.62%	-2.42%	-1.73%	1.49%	0.00%	0.00%
81----	Other services (except public administration)	0.83%	1.97%	0.98%	-7.79%	-12.94%	0.00%
95----	Auxiliaries (exc corporate, subsidiary)	-100.00%	-100.00%	0.00%	-100.00%	0.00%	0.00%
99----	Unclassified establishments	63.45%	63.14%	0.00%	0.00%	0.00%	0.00%
<b>Total</b>		<b>3.14%</b>	<b>5.17%</b>	<b>1.10%</b>	<b>1.22%</b>	<b>-2.47%</b>	<b>0.00%</b>

Lawrence grew businesses in twelve industries, lost businesses in seven, and had zero growth in two. Lawrence had growth in three of five size categories.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

LAWRENCE

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of	Average
	Establish-	Monthly
	ments	Employment
<b>Total, All Industries</b>	5.6926%	-7.0557%
23 - Construction	0.0000%	1.9342%
31-33 - Manufacturing	-12.2951%	-9.7681%
DUR - Durable Goods Manufacturing	-14.2857%	-5.3381%
NONDUR - Non-Durable Goods Manufacturing	-10.6061%	-11.2749%
42 - Wholesale Trade	30.3571%	-30.1855%
44-45 - Retail Trade	2.7778%	-6.2577%
48-49 - Transportation and Warehousing	-22.2222%	0.5988%
51 - Information	12.5000%	-28.3516%
52 - Finance and Insurance	21.0526%	29.6089%
53 - Real Estate and Rental and Leasing	12.8205%	0.0000%
54 - Professional and Technical Services	34.5679%	106.7901%
55 - Management of Companies and Enterprises	-11.1111%	-38.8889%
56 - Administrative and Waste Services	2.9851%	-25.8042%
62 - Health Care and Social Assistance	-2.8369%	-4.1586%
72 - Accommodation and Food Services	13.6364%	-13.7773%
81 - Other Services, Ex. Public Admin	-2.6316%	29.1419%

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

LEOMINSTER

1998 -2003 Changes in Businesses (US Data)

Compound Annual Growth Rate by industry and size

Industry Code	Industry Code Description	Total Estab	Micro 01 to 04	Micro 05 to 19	Small 20 to 99	Midsize 100 to 499	Large 500 or more
11----	Forestry, fishing, hunting, and agriculture	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
21----	Mining	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22----	Utilities	0.00%	-100.00%	14.87%	0.00%	0.00%	0.00%
23----	Construction	-0.32%	-2.25%	4.56%	4.56%	0.00%	0.00%
31----	Manufacturing	-3.23%	-1.89%	-0.47%	-4.62%	-11.09%	0.00%
42----	Wholesale trade	-7.06%	-8.87%	-4.71%	-5.59%	0.00%	0.00%
44----	Retail trade	0.09%	1.41%	-2.12%	4.24%	5.92%	0.00%
48----	Transportation & warehousing	3.86%	-1.73%	11.84%	5.92%	-100.00%	0.00%
51----	Information	-3.93%	-8.97%	14.87%	0.00%	0.00%	0.00%
52----	Finance & insurance	5.72%	8.16%	3.01%	5.92%	0.00%	0.00%
53----	Real estate & rental & leasing	2.65%	-0.65%	9.10%	14.87%	0.00%	0.00%
54----	Professional, scientific & technical servi	0.24%	-2.20%	4.94%	4.56%	0.00%	0.00%
55----	Management of companies & enterprises	-4.36%	-12.94%	-100.00%	8.45%	0.00%	0.00%
56----	Admin, support, waste mgt, remediation ser	3.00%	5.92%	-4.36%	8.45%	-3.58%	0.00%
61----	Educational services	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
62----	Health care and social assistance	1.60%	2.38%	-0.85%	6.23%	0.00%	0.00%
71----	Arts, entertainment & recreation	9.86%	14.87%	6.96%	8.45%	0.00%	0.00%
72----	Accommodation & food services	0.86%	-6.11%	2.06%	7.57%	0.00%	0.00%
81----	Other services (except public administration)	-2.35%	-1.89%	-3.88%	4.56%	0.00%	0.00%
95----	Auxiliaries (exc corporate, subsidiary & r	-100.00%	-100.00%	0.00%	0.00%	0.00%	0.00%
99----	Unclassified establishments	50.29%	50.29%	0.00%	0.00%	0.00%	0.00%
<b>Total</b>		<b>0.35%</b>	<b>-0.08%</b>	<b>0.39%</b>	<b>2.76%</b>	<b>-4.90%</b>	<b>0.00%</b>

Leominster had increases in ten industries, declines in seven industries and zero growth in four. Leominster had growth in two of five size categories.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

LEOMINSTER

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of	Average
	Establish- ments	Monthly Employment
<b>Total, All Industries</b>	5.112%	0.3540%
23 - Construction	22.656%	21.6398%
31-33 - Manufacturing	-14.063%	-26.9419%
DUR - Durable Goods Manufacturing	-12.000%	-25.8802%
NONDUR - Non-Durable Goods Manufacturing	-15.385%	-27.4893%
22 - Utilities	-25.000%	-8.1395%
42 - Wholesale Trade	-14.754%	-20.8711%
44-45 - Retail Trade	0.472%	8.2324%
48-49 - Transportation and Warehousing	-23.529%	-21.0918%
51 - Information	-15.385%	-23.3766%
52 - Finance and Insurance	26.415%	42.9022%
53 - Real Estate and Rental and Leasing	8.333%	15.9744%
54 - Professional and Technical Services	19.318%	-2.1226%
55 - Management of Companies and Enterprises	-22.222%	-48.2759%
56 - Administrative and Waste Services	19.231%	7.9937%
61 - Educational Services	75.000%	241.6667%
62 - Health Care and Social Assistance	10.577%	36.7934%
71 - Arts, Entertainment, and Recreation	0.000%	-6.9444%
72 - Accommodation and Food Services	20.732%	14.2583%
81 - Other Services, Ex. Public Admin	-13.580%	-14.1079%

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

LOWELL

1998 -2003 Changes in Businesses (US Data)

Compound Annual Growth Rate by industry and size

Industry Code	Industry Code Description	Total Estab	Micro <sup>2</sup> 01 to 04	Micro 05 to 19	Small 20 to 99	Midsize 100 to 499	Large 500 or more
11----	Forestry, fishing, hunting, and agriculture	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
21----	Mining	-100.00%	-100.00%	0.00%	0.00%	0.00%	0.00%
22----	Utilities	0.00%	0.00%	-100.00%	14.87%	-100.00%	0.00%
23----	Construction	3.54%	2.38%	5.23%	6.96%	0.00%	0.00%
31----	Manufacturing	-2.09%	-1.98%	-1.24%	-1.24%	-6.17%	-12.94%
42----	Wholesale trade	-0.72%	-9.71%	3.90%	1.92%	14.87%	0.00%
44----	Retail trade	-0.25%	1.37%	-1.73%	-2.89%	0.00%	0.00%
48----	Transportation & warehousing	12.03%	10.35%	43.10%	3.71%	0.00%	0.00%
51----	Information	5.64%	3.13%	11.84%	9.86%	-12.94%	0.00%
52----	Finance & insurance	2.38%	3.82%	0.79%	0.00%	3.71%	0.00%
53----	Real estate & rental & leasing	4.56%	6.69%	1.68%	0.00%	0.00%	0.00%
54----	Professional, scientific & technical services	2.64%	0.35%	7.69%	9.24%	0.00%	0.00%
55----	Management of companies & enterprises	-4.90%	0.00%	-5.59%	0.00%	-100.00%	0.00%
56----	Admin, support, waste mgt, remediation services	-0.81%	0.00%	-2.52%	1.22%	-8.97%	14.87%
61----	Educational services	5.29%	18.47%	-17.81%	10.76%	0.00%	0.00%
62----	Health care and social assistance	0.94%	-3.17%	4.66%	1.86%	0.00%	0.00%
71----	Arts, entertainment & recreation	6.47%	4.56%	5.92%	6.96%	0.00%	0.00%
72----	Accommodation & food services	1.32%	-0.96%	2.04%	5.73%	8.45%	0.00%
81----	Other services (except public administration)	-2.34%	-3.08%	-1.17%	0.00%	-100.00%	0.00%
95----	Auxiliaries (exc corporate & subsidiary)	-100.00%	0.00%	0.00%	-100.00%	0.00%	0.00%
99----	Unclassified establishments	44.50%	45.16%	31.95%	0.00%	0.00%	0.00%
<b>Total</b>		<b>1.49%</b>	<b>1.25%</b>	<b>1.79%</b>	<b>2.48%</b>	<b>-1.82%</b>	<b>3.71%</b>

Lowell lost businesses in eight industries, added in eleven, and had zero growth in two.

Lowell had growth in four of five business sizes.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

LOWELL

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of	Average
	Establish- ments	Monthly Employment
<b>Total, All Industries</b>	1.946%	-7.267%
23 - Construction	26.667%	37.707%
31-33 - Manufacturing	-10.924%	-27.296%
DUR - Durable Goods Manufacturing	-4.110%	-8.411%
NONDUR - Non-Durable Goods Manufacturing	-21.739%	-54.525%
42 - Wholesale Trade	2.703%	16.651%
44-45 - Retail Trade	-5.652%	-0.814%
48-49 - Transportation and Warehousing	23.810%	34.123%
51 - Information	-51.613%	-41.058%
52 - Finance and Insurance	27.397%	20.433%
53 - Real Estate and Rental and Leasing	20.968%	-7.038%
54 - Professional and Technical Services	-3.933%	-28.826%
55 - Management of Companies and Enterprises	33.333%	-8.481%
56 - Administrative and Waste Services	-22.047%	-22.475%
61 - Educational Services	0.000%	-42.891%
62 - Health Care and Social Assistance	0.459%	6.919%
71 - Arts, Entertainment, and Recreation	50.000%	22.899%
72 - Accommodation and Food Services	4.268%	-1.317%
81 - Other Services, Ex. Public Admin	8.589%	-1.708%

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

LYNN

1998 -2003 Changes in Businesses (US Data)

Compound Annual Growth Rate by industry and size

Industry Code	Industry Code Description	Total Estab	Micro 01 to 04	Micro 05 to 19	Small 20 to 99	Midsize 100 to 499	Large 500 or more
11----	Forestry, fishing, hunting, and agriculture	0.00%	0.00%	0.00%	-100.00%	0.00%	0.00%
21----	Mining	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22----	Utilities	14.87%	0.00%	0.00%	0.00%	0.00%	0.00%
23----	Construction	4.35%	5.81%	3.26%	-3.04%	0.00%	0.00%
31----	Manufacturing	-1.64%	4.84%	-2.76%	-3.58%	-16.74%	0.00%
42----	Wholesale trade	-0.71%	-1.83%	-1.47%	2.38%	14.87%	0.00%
44----	Retail trade	-0.97%	2.76%	-8.71%	4.18%	0.00%	0.00%
48----	Transportation & warehousing	4.10%	11.55%	-5.11%	5.92%	0.00%	0.00%
51----	Information	-4.07%	-5.59%	0.00%	14.87%	-100.00%	0.00%
52----	Finance & insurance	-1.30%	-4.99%	4.10%	-12.94%	-100.00%	0.00%
53----	Real estate & rental & leasing	3.79%	8.45%	-3.58%	0.00%	0.00%	0.00%
54----	Professional, scientific & technical servi	1.09%	-1.83%	6.96%	14.87%	0.00%	0.00%
55----	Management of companies & enterprises	-9.71%	-19.73%	-100.00%	0.00%	0.00%	0.00%
56----	Admin, support, waste mgt, remediation ser	5.92%	5.06%	9.00%	0.00%	14.87%	0.00%
61----	Educational services	0.00%	-2.64%	0.00%	-7.79%	0.00%	0.00%
62----	Health care and social assistance	-0.38%	-1.35%	-0.65%	3.13%	0.00%	-12.94%
71----	Arts, entertainment & recreation	1.61%	-3.04%	3.71%	0.00%	0.00%	0.00%
72----	Accommodation & food services	2.08%	2.34%	2.22%	1.03%	0.00%	0.00%
81----	Other services (except public administration)	-0.54%	-2.58%	3.55%	-4.90%	0.00%	0.00%
95----	Auxiliaries (exc corporate, subsidiary & r	-100.00%	-100.00%	-100.00%	0.00%	0.00%	0.00%
99----	Unclassified establishments	62.51%	61.54%	0.00%	0.00%	0.00%	0.00%
<b>Total</b>		<b>1.50%</b>	<b>2.73%</b>	<b>-0.19%</b>	<b>1.29%</b>	<b>0.00%</b>	<b>-5.59%</b>

Lynn lost businesses in nine industries, gained in nine, and had zero growth in three.  
Lynn had growth in two of five size categories.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

LYNN

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of	Average
	Establish- ments	Monthly Employment
<b>Total, All Industries</b>	-3.428%	-0.685%
23 - Construction	27.000%	-10.655%
31-33 - Manufacturing	-25.000%	-19.392%
NONDUR - Non-Durable Goods Manufacturing	-31.250%	-20.598%
42 - Wholesale Trade	14.894%	3.560%
44-45 - Retail Trade	-7.368%	-10.643%
48-49 - Transportation and Warehousing	18.519%	38.095%
51 - Information	-18.750%	-43.523%
52 - Finance and Insurance	-12.500%	38.803%
53 - Real Estate and Rental and Leasing	11.765%	3.896%
54 - Professional and Technical Services	-1.010%	53.378%
56 - Administrative and Waste Services	24.528%	84.011%
61 - Educational Services	42.857%	14.286%
62 - Health Care and Social Assistance	-12.500%	12.944%
71 - Arts, Entertainment, and Recreation	-12.500%	23.030%
72 - Accommodation and Food Services	-4.545%	-7.824%
81 - Other Services, Ex. Public Admin	-17.910%	-6.053%

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

NEW BEDFORD

1998 -2003 Changes in Businesses (US Data)

Compound Annual Growth Rate by industry and size

<b>Industry Code</b>	<b>Industry Code Description</b>	<b>Total Estab</b>	<b>Micro 01 to 04</b>	<b>Micro 05 to 19</b>	<b>Small 20 to 99</b>	<b>Midsize 100 to 499</b>	<b>Large 500 or more</b>
11----	Forestry, fishing, hunting, and agriculture	0.84%	1.87%	-1.98%	-100.00%	0.00%	0.00%
21----	Mining	-100.00%	-100.00%	0.00%	0.00%	0.00%	0.00%
22----	Utilities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23----	Construction	2.84%	0.73%	6.63%	10.20%	0.00%	0.00%
31----	Manufacturing	-0.53%	1.42%	1.96%	-3.04%	-1.28%	-100.00%
42----	Wholesale trade	-3.53%	-6.70%	-1.12%	-2.82%	0.00%	0.00%
44----	Retail trade	0.37%	2.31%	-2.66%	4.24%	-7.79%	0.00%
48----	Transportation & warehousing	2.98%	0.00%	4.56%	14.87%	0.00%	0.00%
51----	Information	-4.62%	-16.74%	0.00%	8.45%	14.87%	0.00%
52----	Finance & insurance	-0.72%	-2.37%	1.11%	-3.58%	0.00%	0.00%
53----	Real estate & rental & leasing	2.95%	2.93%	2.02%	0.00%	0.00%	0.00%
54----	Professional, scientific & technical servi	-2.03%	-3.13%	0.00%	10.76%	0.00%	0.00%
55----	Management of companies & enterprises	-6.17%	-7.79%	0.00%	-5.59%	-100.00%	0.00%
56----	Admin, support, waste mgt, remediation ser	-1.68%	-2.13%	-4.36%	14.87%	-100.00%	0.00%
61----	Educational services	4.32%	-2.09%	28.47%	0.00%	0.00%	0.00%
62----	Health care and social assistance	0.76%	1.73%	2.11%	-2.22%	-4.07%	0.00%
71----	Arts, entertainment & recreation	8.06%	4.56%	11.84%	8.45%	-100.00%	0.00%
72----	Accommodation & food services	-0.29%	-4.12%	6.20%	-0.53%	0.00%	0.00%
81----	Other services (except public administration)	0.77%	-0.65%	2.42%	9.86%	0.00%	0.00%
95----	Auxiliaries (exc corporate, subsidiary & r	-100.00%	0.00%	0.00%	-100.00%	0.00%	0.00%
99----	Unclassified establishments	81.14%	83.04%	51.57%	0.00%	0.00%	0.00%
<b>Total</b>		<b>2.11%</b>	<b>2.94%</b>	<b>1.65%</b>	<b>0.75%</b>	<b>-3.50%</b>	<b>-19.73%</b>

New Bedford had growth in ten industries, declines in ten, and zero growth in one. New Bedford grew in three of five size categories.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

NEW BEDFORD

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of	Average
	Establish- ments	Monthly Employment
<b>Total, All Industries</b>	3.307%	4.956%
11 - Agriculture, Forestry, Fishing & Hunting	19.084%	50.193%
23 - Construction	4.945%	17.910%
31-33 - Manufacturing	-10.692%	-6.508%
DUR - Durable Goods Manufacturing	7.813%	13.177%
NONDUR - Non-Durable Goods Manufacturing	-23.158%	-20.812%
42 - Wholesale Trade	-8.527%	-15.827%
44-45 - Retail Trade	-1.656%	-4.865%
48-49 - Transportation and Warehousing	1.538%	9.956%
51 - Information	60.000%	2.207%
52 - Finance and Insurance	0.926%	32.208%
53 - Real Estate and Rental and Leasing	3.846%	14.072%
54 - Professional and Technical Services	6.897%	0.299%
56 - Administrative and Waste Services	2.817%	80.687%
61 - Educational Services	16.667%	12.745%
62 - Health Care and Social Assistance	-0.427%	12.854%
71 - Arts, Entertainment, and Recreation	30.000%	73.626%
72 - Accommodation and Food Services	11.640%	6.576%
81 - Other Services, Ex. Public Admin	5.172%	12.400%

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

PITTSFIELD

1998 -2003 Changes in Businesses (US Data)

Compound Annual Growth Rate by industry and size

Industry Code	Industry Code Description	Total Estab	Micro <sup>2</sup> 01 to 04	Micro 05 to 19	Small 20 to 99	Midsize 100 to 499	Large 500 or more
11----	Forestry, fishing, hunting, and agriculture	24.57%	14.87%	0.00%	0.00%	0.00%	0.00%
21----	Mining	0.00%	-100.00%	8.45%	0.00%	0.00%	0.00%
22----	Utilities	8.45%	0.00%	0.00%	14.87%	0.00%	0.00%
23----	Construction	0.32%	-2.03%	6.64%	0.00%	-100.00%	0.00%
31----	Manufacturing	-2.99%	2.25%	-7.79%	-4.36%	8.45%	0.00%
42----	Wholesale trade	-2.64%	-1.73%	-7.46%	14.87%	0.00%	0.00%
44----	Retail trade	-1.27%	-4.42%	-0.39%	4.75%	3.13%	0.00%
48----	Transportation & warehousing	5.64%	-2.33%	4.56%	28.47%	0.00%	0.00%
51----	Information	-2.42%	-9.25%	20.11%	-15.59%	0.00%	0.00%
52----	Finance & insurance	-0.27%	1.18%	-0.65%	-4.90%	14.87%	-100.00%
53----	Real estate & rental & leasing	-4.80%	-7.34%	1.76%	0.00%	0.00%	0.00%
54----	Professional, scientific & technical services	-0.63%	-1.05%	2.28%	-12.94%	-100.00%	0.00%
55----	Management of companies & enterprises	-11.42%	-100.00%	0.00%	-7.79%	-5.59%	0.00%
56----	Admin, support, waste mgt, remediation services	-0.28%	-2.38%	-1.14%	11.84%	-7.79%	0.00%
61----	Educational services	-4.56%	-3.04%	-1.89%	-12.94%	0.00%	0.00%
62----	Health care and social assistance	-0.48%	-0.76%	-1.80%	3.13%	5.15%	0.00%
71----	Arts, entertainment & recreation	1.26%	4.84%	-4.36%	-3.58%	0.00%	0.00%
72----	Accommodation & food services	1.45%	6.30%	-2.33%	-0.61%	0.00%	0.00%
81----	Other services (except public administration)	-1.56%	-2.94%	1.92%	-10.59%	0.00%	0.00%
95----	Auxiliaries (exc corporate, subsidiary & r	-100.00%	0.00%	-100.00%	-100.00%	0.00%	0.00%
99----	Unclassified establishments	49.96%	51.57%	24.57%	0.00%	0.00%	0.00%
<b>Total</b>		<b>0.26%</b>	<b>0.62%</b>	<b>-0.33%</b>	<b>0.53%</b>	<b>1.30%</b>	<b>-5.59%</b>

Pittsfield lost businesses in thirteen industries, had zero growth in one, and positive growth in seven. Pittsfield had growth in three of five size categories.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

PITTSFIELD

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of	Average
	Establish- ments	Monthly Employment
<b>Total, All Industries</b>	-0.1502%	0.4195%
23 - Construction	8.4615%	15.1246%
31-33 - Manufacturing	-9.8592%	-34.7837%
DUR - Durable Goods Manufacturing	-4.8780%	-46.3149%
NONDUR - Non-Durable Goods Manufacturing	-16.6667%	-16.6557%
22 - Utilities	-25.0000%	-24.5283%
42 - Wholesale Trade	-4.0000%	-6.6790%
44-45 - Retail Trade	-6.5116%	0.8303%
48-49 - Transportation and Warehousing	0.0000%	7.5843%
51 - Information	-29.1667%	-25.5259%
52 - Finance and Insurance	-4.0541%	5.6837%
53 - Real Estate and Rental and Leasing	12.5000%	-15.0183%
54 - Professional and Technical Services	-3.5211%	77.6328%
55 - Management of Companies and Enterprises	-33.3333%	-30.4738%
56 - Administrative and Waste Services	-8.3333%	40.8996%
61 - Educational Services	6.2500%	-67.6704%
62 - Health Care and Social Assistance	12.7660%	8.3636%
71 - Arts, Entertainment, and Recreation	-6.4516%	0.2151%
72 - Accommodation and Food Services	14.1509%	20.2745%
81 - Other Services, Ex. Public Admin	-6.5574%	11.6208%

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

SPRINGFIELD

1998 -2003 Changes in Businesses (US Data)

Compound Annual Growth Rate by industry and size

Compound Annual Growth Rate by industry and size							
Industry Code	Industry Code Description	Total Estab	Micro 01 to 04	Micro 05 to 19	Small 20 to 99	Midsize 100 to 499	Large 500 or more
11----	Forestry, fishing, hunting, and agriculture	-12.94%	-12.94%	0.00%	0.00%	0.00%	0.00%
21----	Mining	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22----	Utilities	5.92%	0.00%	0.00%	0.00%	0.00%	0.00%
23----	Construction	-0.14%	0.26%	-1.73%	2.71%	0.00%	0.00%
31----	Manufacturing	-3.08%	-5.29%	-1.53%	-0.56%	-11.42%	-12.94%
42----	Wholesale trade	-3.08%	-3.51%	-3.77%	-0.65%	-7.79%	0.00%
44----	Retail trade	-0.99%	-3.12%	0.27%	1.61%	1.76%	0.00%
48----	Transportation & warehousing	1.82%	-0.93%	0.00%	5.92%	28.47%	-100.00%
51----	Information	7.67%	18.77%	2.71%	8.45%	-3.58%	0.00%
52----	Finance & insurance	-1.34%	0.63%	-2.77%	-6.01%	6.96%	0.00%
53----	Real estate & rental & leasing	0.18%	-0.30%	2.57%	-6.51%	-100.00%	0.00%
54----	Professional, scientific & technical servi	1.30%	1.29%	1.92%	-1.59%	0.00%	0.00%
55----	Management of companies & enterprises	-0.85%	0.00%	2.71%	3.13%	-16.74%	0.00%
56----	Admin, support, waste mgt, remediation ser	0.15%	-3.04%	0.00%	11.84%	0.00%	-100.00%
61----	Educational services	0.37%	-2.76%	9.63%	-3.29%	0.00%	-7.79%
62----	Health care and social assistance	0.83%	-0.12%	1.52%	0.45%	3.26%	0.00%
71----	Arts, entertainment & recreation	4.70%	13.81%	-2.82%	0.00%	0.00%	0.00%
72----	Accommodation & food services	1.26%	1.31%	0.00%	2.99%	0.00%	0.00%
81----	Other services (except public administration)	0.11%	-0.60%	1.51%	-2.16%	14.87%	0.00%
95----	Auxiliaries (exc corporate, subsidiary & r	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
99----	Unclassified establishments	101.34%	102.66%	0.00%	-100.00%	0.00%	0.00%
<b>Total</b>		<b>4.44%</b>	<b>8.33%</b>	<b>0.52%</b>	<b>0.84%</b>	<b>0.22%</b>	<b>-7.09%</b>

Springfield had declines in six industries, zero growth in two, and positive growth in thirteen. Springfield's predominant growth came in the smallest sized companies, but it did have growth in four of five categories.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

SPRINGFIELD

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of	Average
	Establish- ments	Monthly Employment
<b>Total, All Industries</b>	-4.230%	-3.838%
23 - Construction	14.765%	-4.695%
31-33 - Manufacturing	-19.136%	-29.357%
DUR - Durable Goods Manufacturing	-19.192%	-27.557%
NONDUR - Non-Durable Goods Manufacturing	-19.048%	-32.056%
22 - Utilities	-25.000%	-38.132%
42 - Wholesale Trade	-15.723%	-27.852%
44-45 - Retail Trade	-7.708%	-13.521%
48-49 - Transportation and Warehousing	19.355%	-6.460%
51 - Information	11.364%	-17.228%
52 - Finance and Insurance	-5.584%	-13.435%
53 - Real Estate and Rental and Leasing	8.800%	3.524%
54 - Professional and Technical Services	-4.278%	5.275%
55 - Management of Companies and Enterprises	-7.692%	-31.109%
56 - Administrative and Waste Services	-20.000%	-18.860%
61 - Educational Services	19.444%	52.982%
62 - Health Care and Social Assistance	0.985%	8.605%
71 - Arts, Entertainment, and Recreation	-32.500%	-28.767%
72 - Accommodation and Food Services	4.651%	2.686%
81 - Other Services, Ex. Public Admin	-9.494%	36.985%

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

TAUNTON

1998 -2003 Changes in Businesses (US Data)

Industry Code	Industry Code Description	Compound Annual Growth Rate by industry and size					
		Total Estab	Micro <sup>2</sup> 01 to 04	Micro 05 to 19	Small 20 to 99	Midsize 100 to 499	Large 500 or more
11----	Forestry, fishing, hunting, and agriculture	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
21----	Mining	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
22----	Utilities	14.87%	0.00%	14.87%	0.00%	0.00%	0.00%
23----	Construction	3.88%	4.28%	-1.08%	31.95%	14.87%	0.00%
31----	Manufacturing	-0.93%	0.00%	12.09%	-0.75%	-6.51%	0.00%
42----	Wholesale trade	-1.73%	-8.19%	2.02%	4.24%	-9.71%	0.00%
44----	Retail trade	0.52%	-0.44%	-0.52%	8.92%	6.96%	0.00%
48----	Transportation & warehousing	9.57%	7.89%	14.87%	31.95%	0.00%	0.00%
51----	Information	10.07%	21.67%	0.00%	8.45%	14.87%	-100.00%
52----	Finance & insurance	1.89%	3.13%	2.02%	0.00%	-100.00%	0.00%
53----	Real estate & rental & leasing	2.86%	0.85%	10.20%	-12.94%	0.00%	0.00%
54----	Professional, scientific & technical servi	3.40%	-0.72%	11.84%	17.61%	-100.00%	0.00%
55----	Management of companies & enterprises	-7.79%	-12.94%	-12.94%	-12.94%	0.00%	0.00%
56----	Admin, support, waste mgt, remediation ser	-0.85%	-2.73%	-4.36%	24.57%	0.00%	0.00%
61----	Educational services	-1.37%	-7.79%	14.87%	-7.79%	0.00%	0.00%
62----	Health care and social assistance	1.50%	-5.25%	6.34%	6.23%	-3.58%	0.00%
71----	Arts, entertainment & recreation	0.00%	-6.51%	14.87%	0.00%	0.00%	0.00%
72----	Accommodation & food services	2.79%	2.19%	1.86%	6.47%	-7.79%	0.00%
81----	Other services (except public administration)	0.88%	1.85%	-1.78%	4.56%	0.00%	0.00%
95----	Auxiliaries (exc corporate, subsidiary & r	-100.00%	0.00%	0.00%	-100.00%	-100.00%	0.00%
99----	Unclassified establishments	53.42%	51.57%	0.00%	0.00%	0.00%	0.00%
<b>Total</b>		<b>2.28%</b>	<b>1.75%</b>	<b>2.76%</b>	<b>5.63%</b>	<b>-1.21%</b>	<b>0.00%</b>

Taunton had declines in six industries, zero growth in three, and growth in twelve. Taunton had growth in three of five size categories, all in the 1 to 99 ranges.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

TAUNTON

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of	Average
	Establish- ments	Monthly Employment
<b>Total, All Industries</b>	8.501%	7.185%
23 - Construction	26.891%	31.974%
31-33 - Manufacturing	-9.412%	-18.739%
DUR - Durable Goods Manufacturing	3.846%	-10.953%
NONDUR - Non-Durable Goods Manufacturing	-30.303%	-32.139%
42 - Wholesale Trade	42.105%	62.016%
44-45 - Retail Trade	0.847%	-0.957%
48-49 - Transportation and Warehousing	-17.500%	21.215%
51 - Information	54.545%	7.073%
52 - Finance and Insurance	15.556%	41.775%
53 - Real Estate and Rental and Leasing	13.889%	12.057%
54 - Professional and Technical Services	3.846%	-4.328%
55 - Management of Companies and Enterprises	100.000%	278.125%
56 - Administrative and Waste Services	-1.493%	95.824%
61 - Educational Services	12.500%	-10.000%
62 - Health Care and Social Assistance	8.800%	-1.721%
71 - Arts, Entertainment, and Recreation	66.667%	11.111%
72 - Accommodation and Food Services	11.828%	16.339%
81 - Other Services, Ex. Public Admin	1.000%	-16.683%

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

WORCESTER

1998 -2003 Changes in Businesses (US Data)

Compound Annual Growth Rate by industry and size

Compound Annual Growth Rate by industry and size							
Industry Code	Industry Code Description	Total Estab	Micro 01 to 04	Micro 05 to 19	Small 20 to 99	Midsize 100 to 499	Large 500 or more
11----	Forestry, fishing, hunting, and agriculture	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
21----	Mining	-100.00%	-100.00%	0.00%	0.00%	0.00%	0.00%
22----	Utilities	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
23----	Construction	2.34%	2.59%	1.49%	0.76%	37.97%	0.00%
31----	Manufacturing	-3.51%	1.78%	-3.46%	-7.13%	-4.36%	-12.94%
42----	Wholesale trade	-0.18%	-1.22%	0.44%	-0.78%	31.95%	0.00%
44----	Retail trade	-2.27%	-0.97%	-3.14%	-4.87%	3.13%	0.00%
48----	Transportation & warehousing	0.48%	-1.93%	5.92%	-4.71%	0.00%	0.00%
51----	Information	5.39%	10.01%	1.30%	4.56%	0.00%	0.00%
52----	Finance & insurance	2.06%	5.76%	-1.04%	0.64%	0.00%	8.45%
53----	Real estate & rental & leasing	4.17%	4.35%	2.59%	18.47%	-100.00%	0.00%
54----	Professional, scientific & technical servi	0.84%	-0.32%	2.64%	5.92%	-5.59%	0.00%
55----	Management of companies & enterprises	-2.16%	-3.29%	8.45%	-5.59%	-100.00%	0.00%
56----	Admin, support, waste mgt, remediation ser	-0.47%	0.00%	-2.82%	3.40%	-3.93%	-100.00%
61----	Educational services	2.66%	1.03%	8.45%	-1.59%	-4.36%	4.56%
62----	Health care and social assistance	1.37%	2.46%	2.21%	-1.82%	-1.02%	-8.97%
71----	Arts, entertainment & recreation	0.00%	-1.98%	0.00%	1.92%	0.00%	0.00%
72----	Accommodation & food services	0.45%	-0.83%	1.30%	1.42%	11.84%	0.00%
81----	Other services (except public administration)	-0.99%	-0.88%	-1.45%	1.22%	-9.71%	0.00%
95----	Auxiliaries (exc corporate, subsidiary & r	-100.00%	-100.00%	-100.00%	-100.00%	0.00%	0.00%
99----	Unclassified establishments	82.90%	90.37%	14.87%	0.00%	0.00%	0.00%
<b>Total</b>		<b>0.70%</b>	<b>2.41%</b>	<b>-0.77%</b>	<b>-1.27%</b>	<b>-0.32%</b>	<b>-2.76%</b>

Worcester had declines in eight industries, zero growth in three, and growth in ten. The only size that Worcester had growth in was at the very smallest.

**New Business Creation and the Urban Economy**  
**By John H. Friar**  
**Pioneer Institute Center for Economic Opportunity, January 2008**

WORCESTER

2001-2006 Changes in Businesses and Employment (MA data)

Description	No. of	Average
	Establish- ments	Monthly Employment
<b>Total, All Industries</b>	-1.808%	-2.631%
23 - Construction	7.955%	0.638%
31-33 - Manufacturing	-21.771%	-23.537%
DUR - Durable Goods Manufacturing	-21.023%	-25.257%
NONDUR - Non-Durable Goods Manufacturing	-23.158%	-18.816%
22 - Utilities	-40.000%	-11.282%
42 - Wholesale Trade	-12.766%	6.995%
44-45 - Retail Trade	-9.061%	-3.474%
48-49 - Transportation and Warehousing	-10.345%	-24.221%
51 - Information	-20.339%	-14.218%
52 - Finance and Insurance	4.583%	-10.855%
53 - Real Estate and Rental and Leasing	2.797%	-13.750%
54 - Professional and Technical Services	3.534%	4.284%
55 - Management of Companies and Enterprises	-31.250%	-42.761%
56 - Administrative and Waste Services	0.490%	-5.545%
61 - Educational Services	0.000%	35.735%
62 - Health Care and Social Assistance	4.571%	3.524%
71 - Arts, Entertainment, and Recreation	21.053%	-2.623%
72 - Accommodation and Food Services	6.267%	17.090%
81 - Other Services, Ex. Public Admin	-1.070%	6.624%