- March 2013

New York’s New Business Boom



Data - March 2013

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Nearly twice as many new businesses were started in the five boroughs in 2011 than in 1991, and the lion’s share were started outside of Manhattan.

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Much attention has been paid to the dramatic growth in tech startups in New York City over the past five years. But the amazing rise of Silicon Alley represents just one part of an incredible 20-year explosion in new entrepreneurial ventures in the five boroughs. In fact, nearly twice as many new businesses were incorporated in the city in 2011 than in 1991—and, interestingly, the fastest growth in startups over the past two decades has occurred outside of Manhattan.

In 2011, an astounding 65,658 businesses filed incorporation papers in New York City, an 86 percent jump from 1991, when just 35,218 businesses opened their doors. Of all the boroughs, Manhattan boasts the largest number of startups incorporated in 2011 (22,756) and the most startups per capita (143 startups per 10,000 residents). However, the Bronx experienced the fastest growth over the past two decades (a 305 percent increase) while Brooklyn was the only borough to see a spike in new business incorporations in the post-recession period of 2007 to 2011.

The following are some key findings from our analysis, which is based on a review of data from the New York State Department of State showing the number of new business incorporations every year between 1991 and 2011:

- In 1991, 35,218 new businesses filed incorporation papers in New York City. By 2011, the number of new business incorporations in the city had increased to 65,658, an 86 percent increase.
- Of all the boroughs, Manhattan has boasted the most newly incorporated businesses every year from 1991 to 2011.In 2011, 22,756 companies were launched in Manhattan. This was followed by Brooklyn (with 19,351 new incorporations), Queens (16,152), the Bronx (4,690), and Staten Island (2,709).
- Of all the boroughs, the Bronx had the fastest growth in new business incorporations between 1991 and 2011, with a 305 percent jump—going from 1,159 newly formed businesses in 1991 to 4,690 in 2011.
- Brooklyn had the second fastest growth in startups during this period, increasing 161 percent (from 7,419 new businesses in 1991 to 19,351 in 2011). This was followed by Queens, with a 128 percent increase (from 7,088 to 16,152), and Staten Island, which had a 93 percent gain (from 1,401 to 2,709). Manhattan had by far the slowest growth in startups during this period, only increasing 25 percent—from 18,151 new businesses in 1991 to 22,756 in 2011.
- In 1991, Manhattan accounted for 52 percent of the city's newly incorporated startups. In 2011, that share dropped to 35 percent. Today, Brooklyn accounts for 30 percent, Queens for 25 percent, Bronx for 7 percent, and Staten Island for 4 percent.
- The number of new business formations in the city declined by 9 percent from 2007 to 2009, going from 66,274 newly incorporated companies in 2007 to 60,502 in 2009. However, new business formation increased by 9 percent from 2009 to 2011.
- Brooklyn is the only borough to register an increase in the number of startups between 2007 and 2011. It experienced a 5 percent gain in newly incorporated companies during this period, compared to declines in Staten Island (-9 percent), the Bronx (-6 percent), Queens (-3 percent), Manhattan (-2 percent) and citywide (-1 percent).
- Manhattan has the most start-ups per capita. For every 10,000 working age adults (18-65), there were 201 start-upsin 2011. The corresponding figures were 119 in Brooklyn, 109 in Queens, 90 in Staten Island, and 54 in the Bronx.
- In 1991, Brooklyn trailed Manhattan, Queens and Staten Island in startups per capita. Today, it outpaces all but Manhattan. The number of Brooklyn startups was a mere 40.9 percent of Manhattan's total in 1991. By 2011, that share rose to 85 percent.

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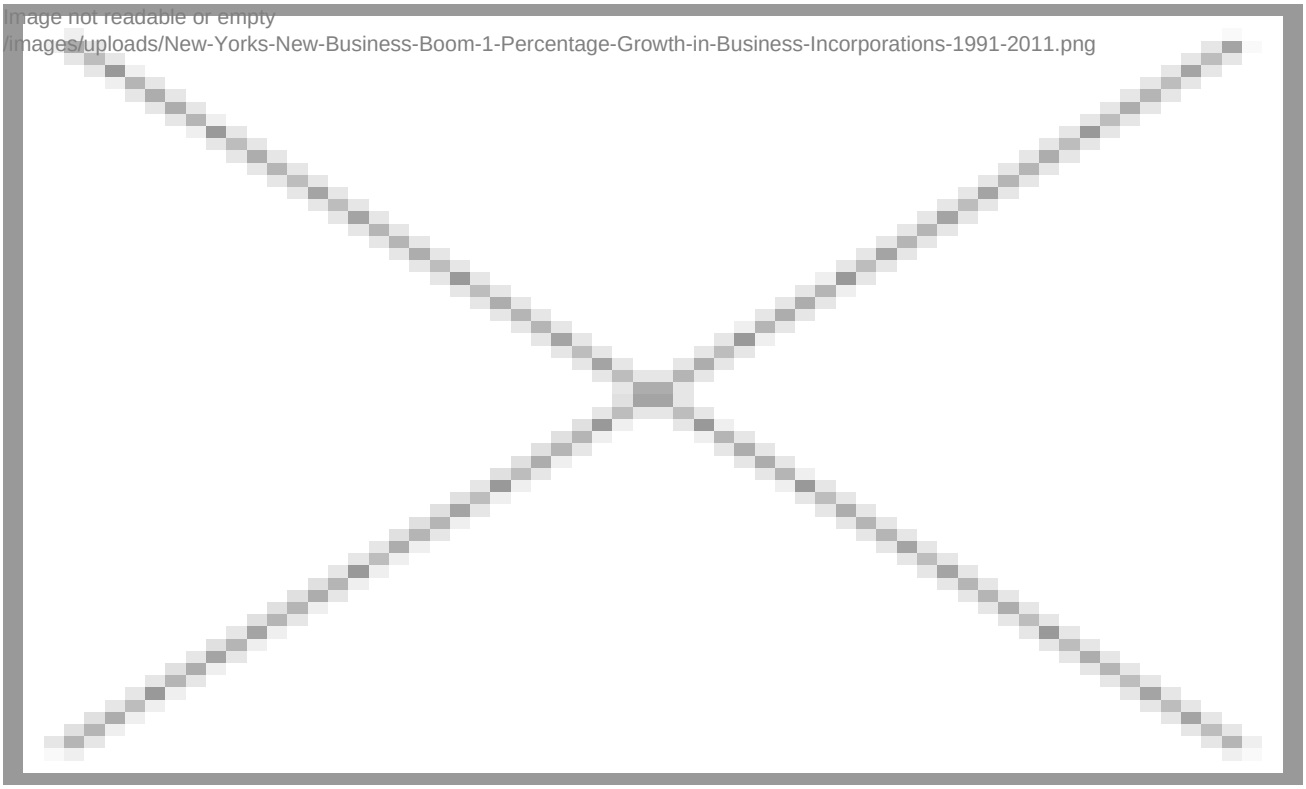


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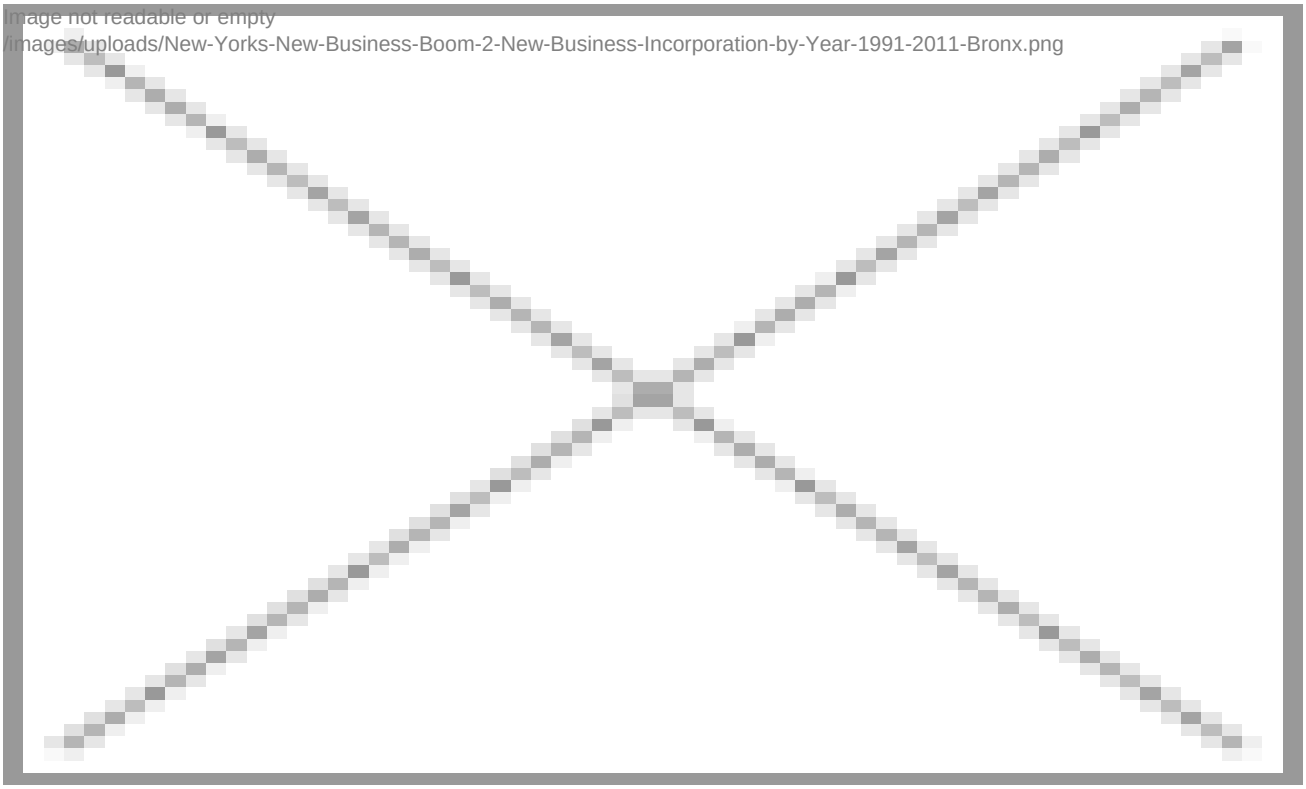


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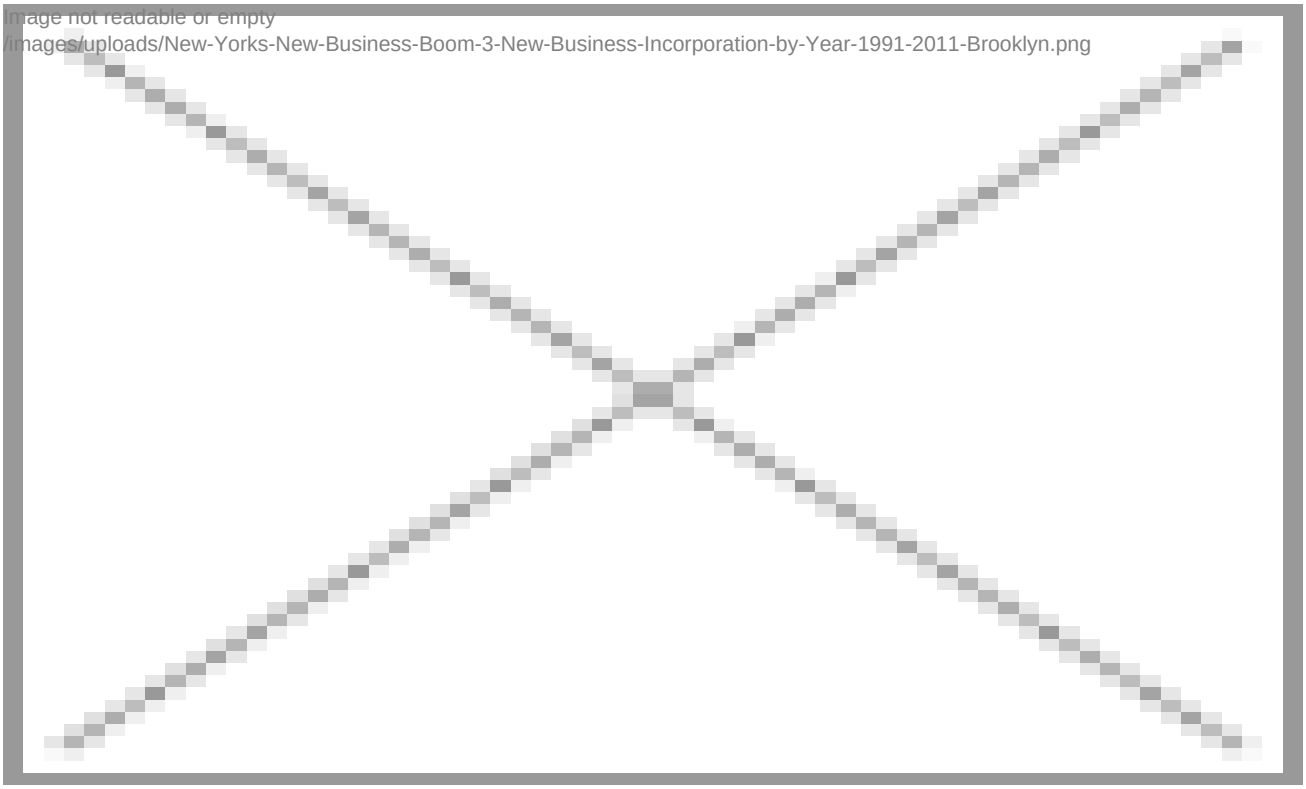


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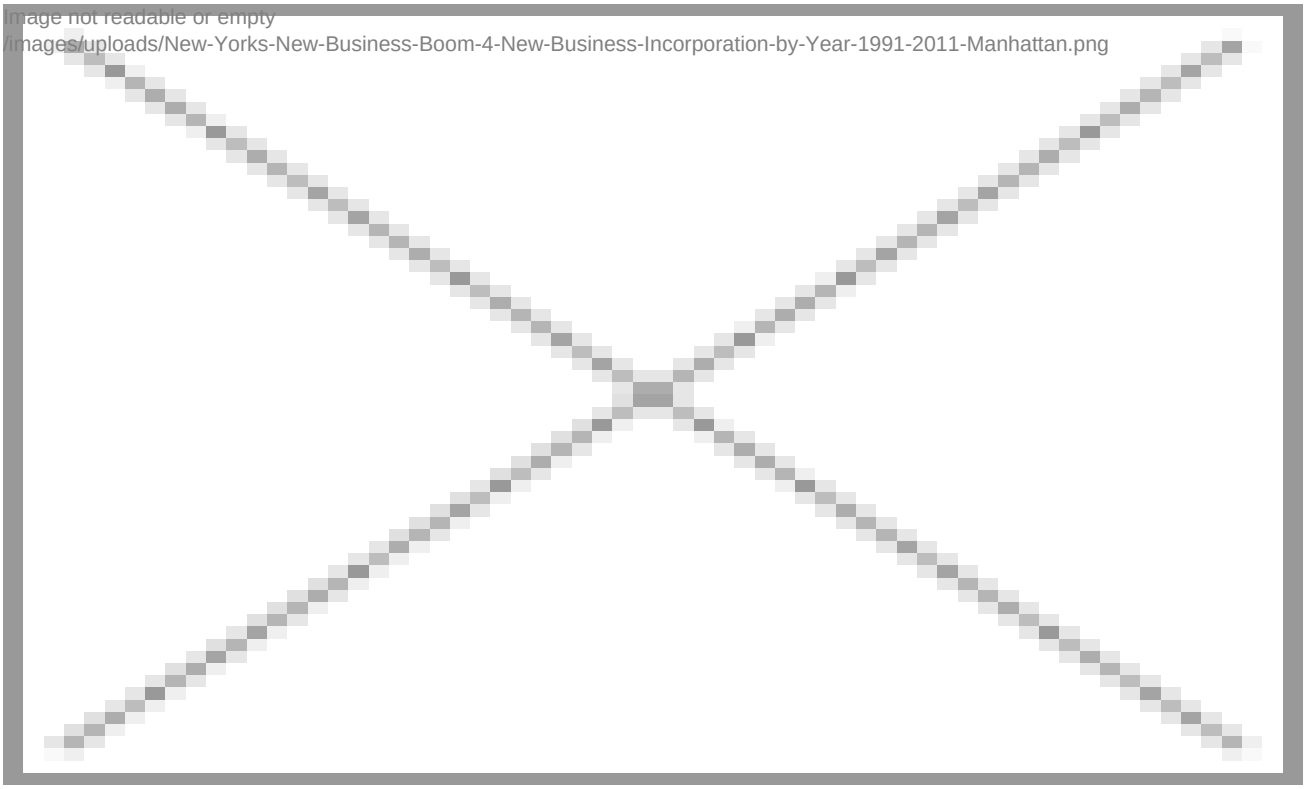


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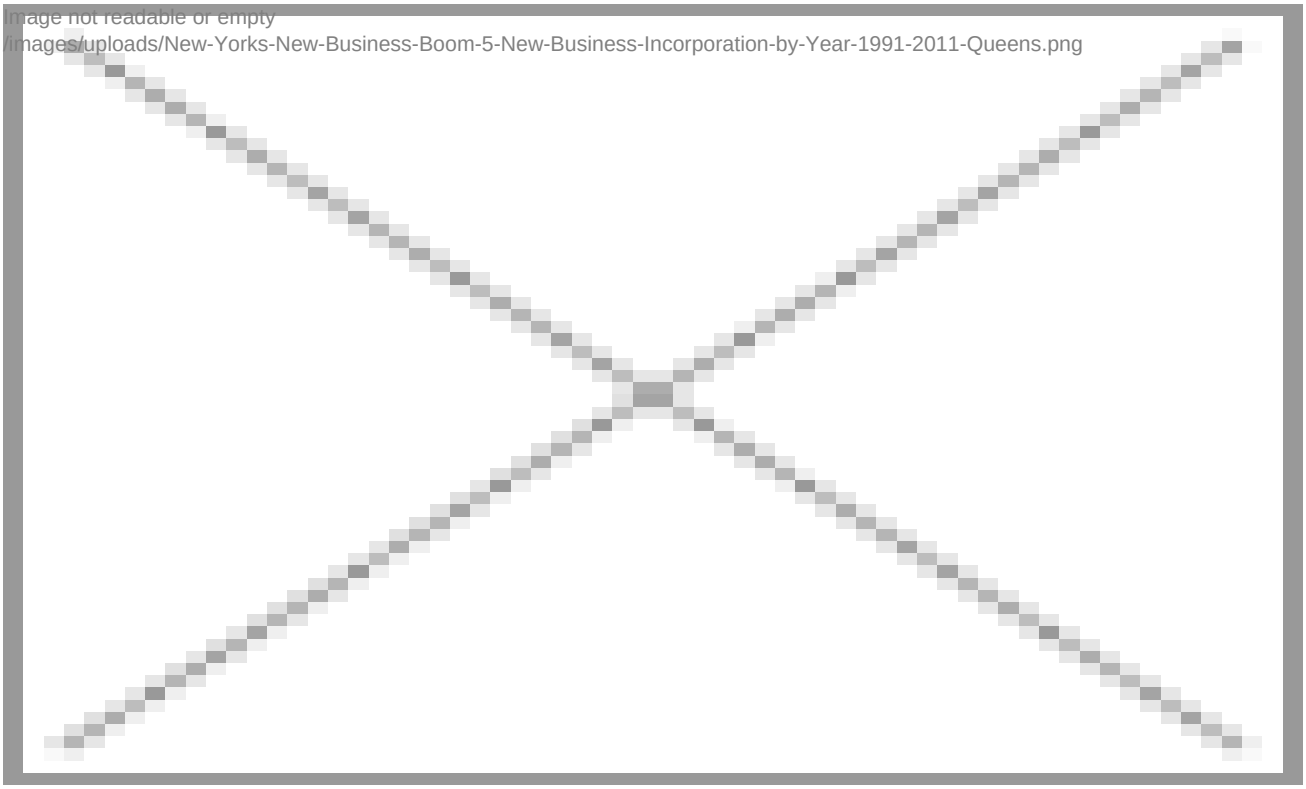


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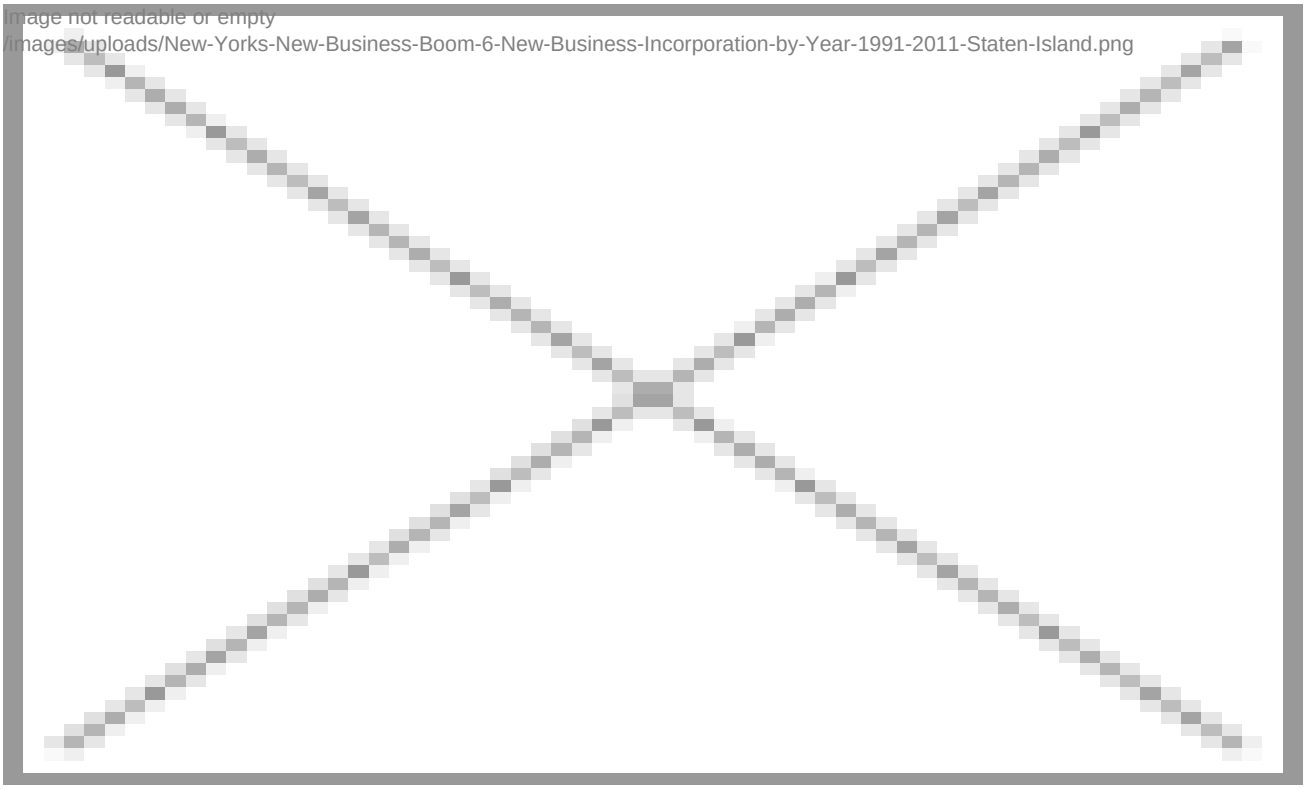


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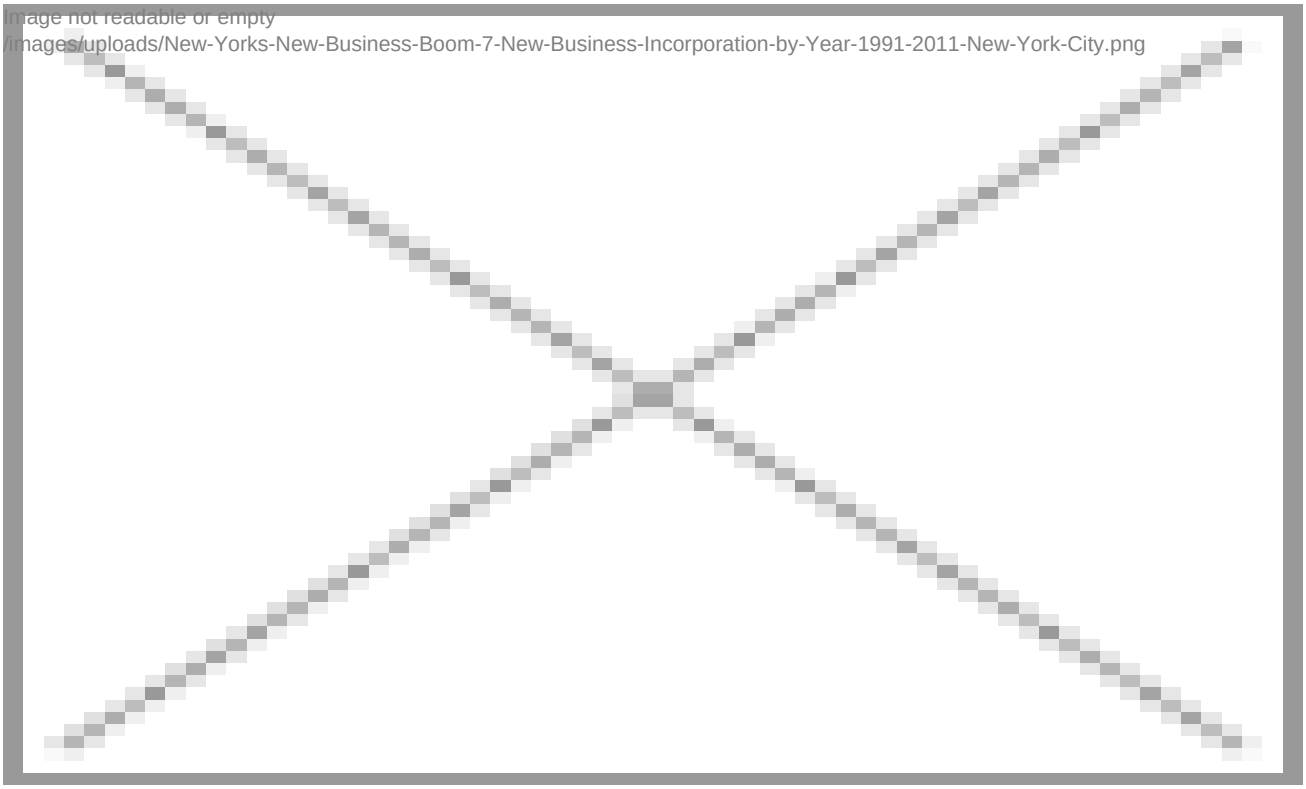


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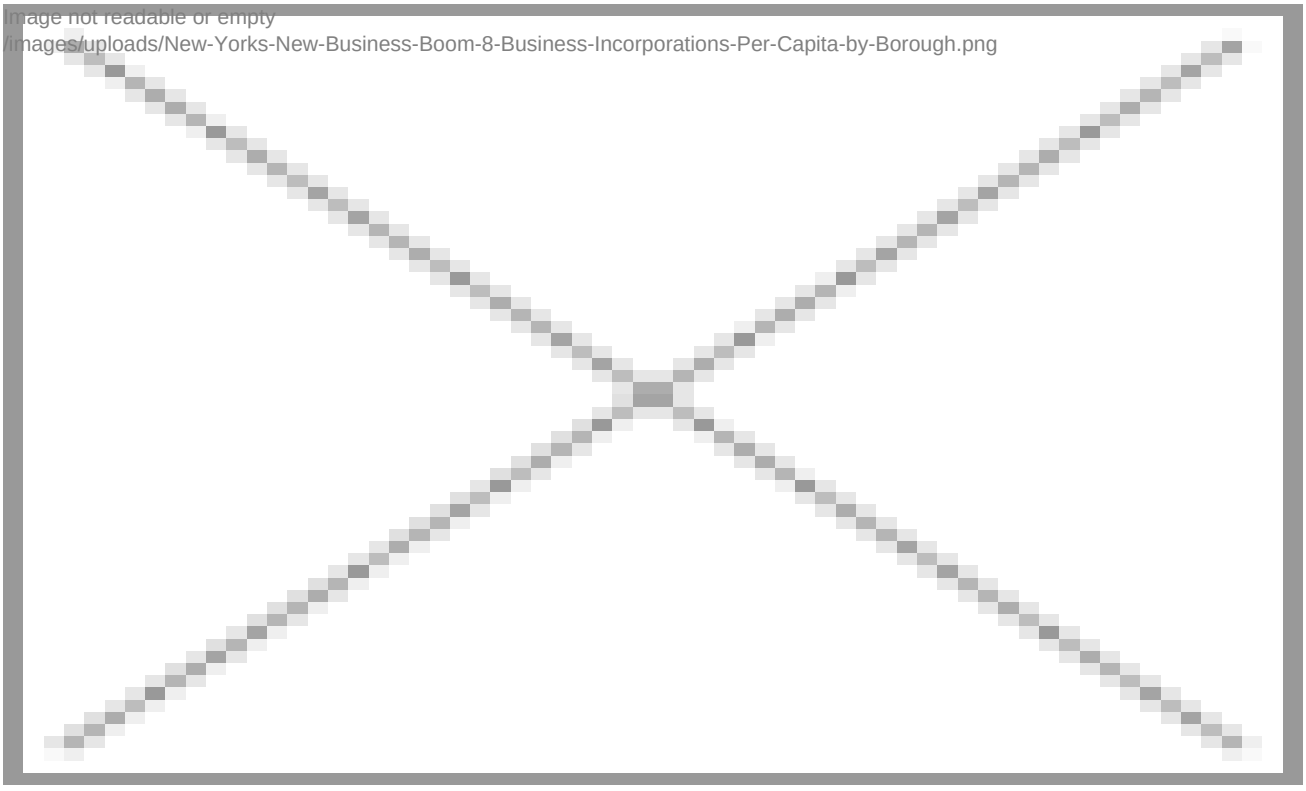


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Business Incorporations by Borough, 1991 - 2011

Year	Staten Island	Bronx	Brooklyn	Queens	Manhattan	City
1991	1,401	1,159	7,419	7,088	18,151	35,218
1992	1,390	2,526	8,062	7,843	19,574	39,395
1993	1,535	2,562	8,740	8,166	20,465	41,468
1994	1,624	2,660	9,178	8,667	21,013	43,142
1995	1,740	3,042	9,790	9,675	22,552	46,799
1996	1,852	3,075	10,483	10,428	22,972	48,810
1997	1,954	3,093	11,004	10,909	23,917	50,877
1998	1,906	3,056	11,532	11,123	22,813	50,430
1999	2,119	3,335	12,271	11,707	24,198	53,630
2000	2,371	3,477	13,123	12,505	23,098	54,574
2001	2,258	3,552	13,195	12,835	20,659	52,499
2002	2,745	4,037	15,046	14,259	22,537	58,624
2003	2,926	4,228	16,014	14,649	23,661	61,478
2004	3,061	4,401	16,710	15,729	24,373	64,274
2005	3,320	4,735	17,635	15,850	24,910	66,450
2006	2,994	4,868	18,334	16,672	24,210	67,078
2007	2,979	4,992	18,399	16,634	23,270	66,274
2008	2,895	4,675	17,813	15,750	22,109	63,242
2009	2,756	4,363	17,039	14,773	21,571	60,502
2010	2,822	4,759	18,682	15,693	22,546	64,502
2011	2,709	4,690	19,351	16,152	22,756	65,658

Source: Center for an Urban Future analysis of data from New York State Department of State

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