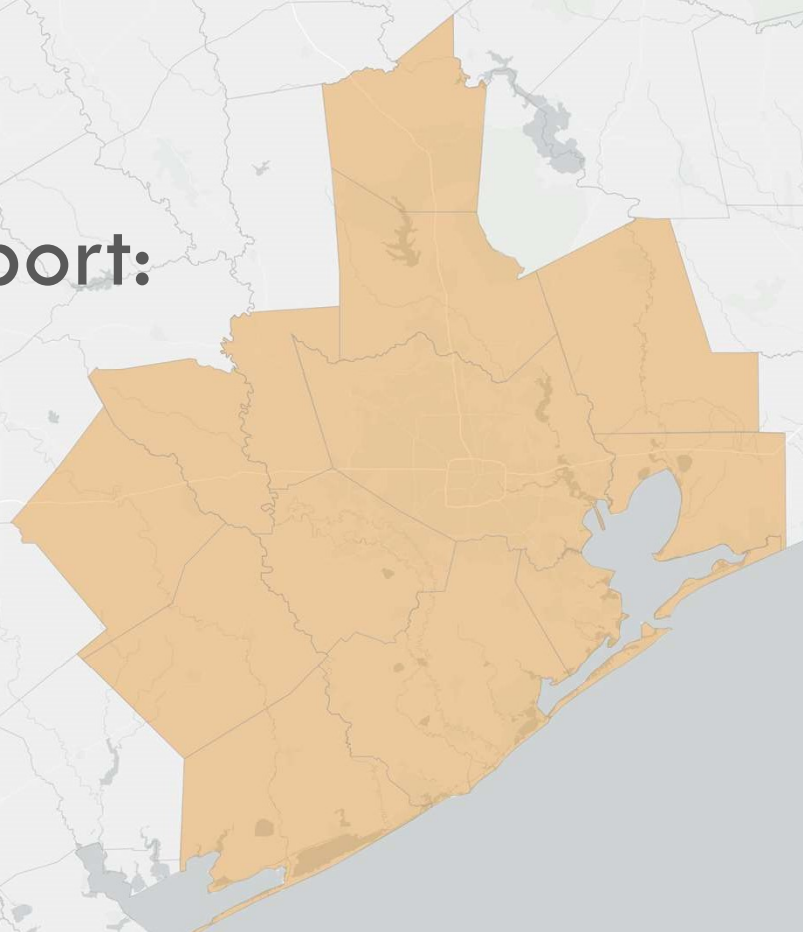




# Gulf Coast Region Special Report: Business Formation During the Pandemic



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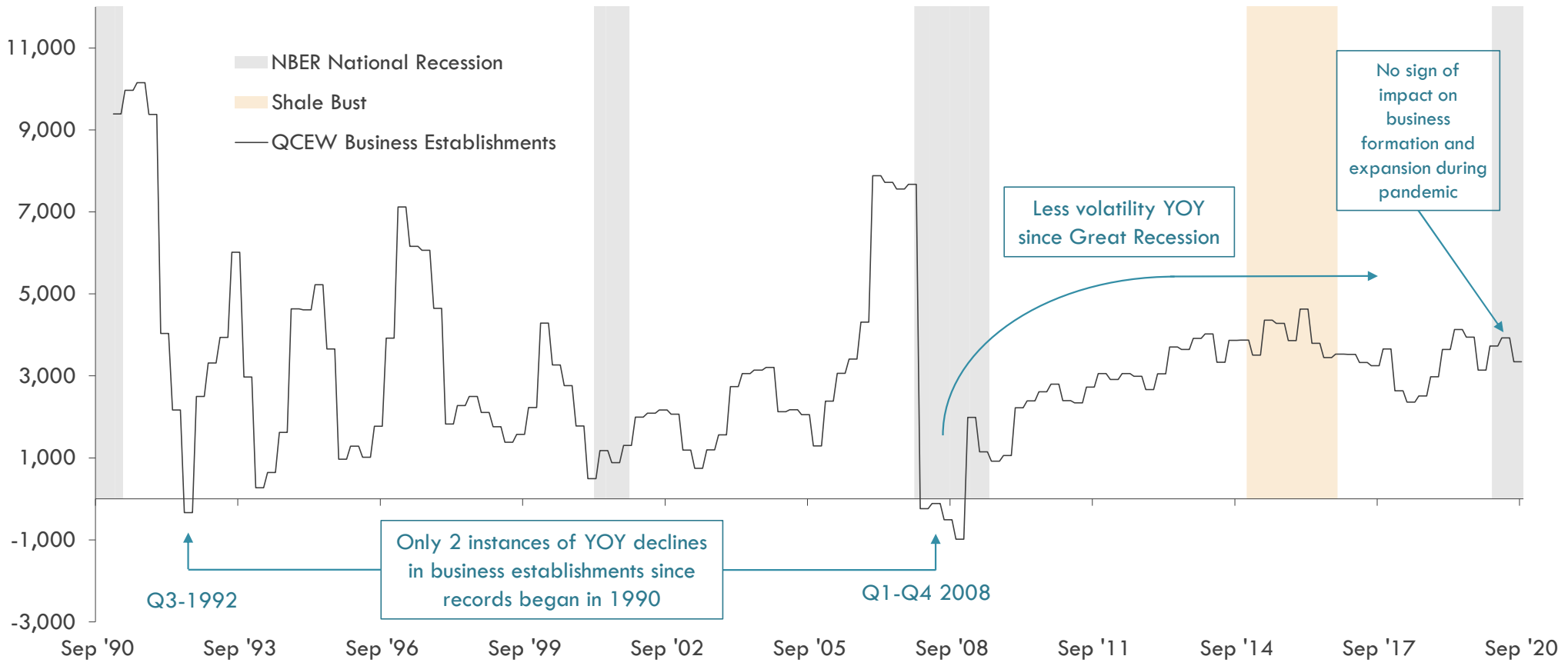
## Table Observations

- Over-the-year pace of business formation before and during the pandemic remained steady between 3,000 and 4,000 and despite record job losses
- Over-the-quarter also saw continued business formation at the topline with Leisure and Hospitality related industries experiencing fewer closures than expected
- Oil and gas and staffing firms saw business closures across all 5 timeframes indicating weak fundamentals predating the pandemic

## Gulf Coast Region Change in Employment vs. Change in No. of Business Establishments – Top-25 Declining Industries Various Timeframes 2019 – 2020

Industry	YOY Q3-2019 to Q3-2020		YOY Q2-2019 to Q2-2020		YOY Q1-2019 to Q1-2020		QOQ Q1-2020 to Q2-2020		QOQ Q2-2020 to Q3-2020	
	Net Change Employment	Net Change Business Establishments	Net Change Employment	Net Change Business Establishments	Net Change Employment	Net Change Business Establishments	Net Change Employment	Net Change Business Establishments	Net Change Employment	Net Change Business Establishments
<b>Total, All Industries</b>	<b>-222,573</b>	<b>3,343</b>	<b>-261,037</b>	<b>3,926</b>	<b>47,720</b>	<b>3,725</b>	<b>-276,304</b>	<b>489</b>	<b>39,449</b>	<b>389</b>
Restaurants and Other Eating Places	-39,244	211	-59,204	281	4,056	357	-56,768	-34	20,239	-14
Support Activities for Mining	-12,919	-70	-9,553	-36	-1,977	-29	-7,741	-21	-4,427	-24
Traveler Accommodation	-10,624	63	-11,079	58	-79	50	-10,045	12	13	15
Nonresidential Building Construction	-10,387	31	-8,172	45	-841	60	-6,694	1	-1,836	5
Employment Services	-8,753	-15	-16,913	-20	2,130	-44	-12,580	-51	7,324	-12
Agriculture, Construction, and Mining Machinery Mfg.	-8,449	-1	-5,135	7	-10	-2	-3,326	-3	-3,442	-6
Utility System Construction	-7,540	39	-2,750	36	3,986	27	-6,263	5	-4,547	6
Architectural, Engineering, and Related Services	-7,110	12	-2,413	43	529	25	-5,280	6	-3,327	2
Other Amusement and Recreation Industries	-6,036	20	-9,681	45	305	58	-8,488	-2	4,004	-5
Clothing Stores	-5,159	19	-10,880	29	-1,079	41	-10,394	-17	5,775	-25
Child Day Care Services	-4,732	-7	-5,640	13	-47	-7	-5,513	-7	661	0
Building Equipment Contractors	-4,714	26	-4,928	33	-1,512	14	-2,828	20	71	0
Special Food Services	-4,632	18	-4,925	28	262	23	-5,370	9	536	-21
Machinery, Equip., and Supplies Merchant Wholesalers	-4,432	-20	-2,896	10	-188	5	-2,570	8	-1,507	-25
Department Stores	-3,852	2	-5,745	-4	-5	3	-5,763	1	2,235	0
Oil and Gas Extraction	-3,838	-39	-2,768	-44	-1,013	-55	-1,702	-9	-968	-10
Drinking Places (Alcoholic Beverages)	-3,441	8	-3,428	29	121	4	-3,516	1	4	-9
Other Fabricated Metal Product Manufacturing	-3,145	10	-1,971	11	-436	7	-1,466	3	-1,363	-4
Other Specialty Trade Contractors	-3,032	3	-2,374	10	201	10	-1,768	2	18	0
Motion Picture and Video Industries	-2,606	8	-2,905	9	121	4	-2,439	3	12	0
Automobile Dealers	-2,538	26	-3,041	13	-1,512	14	-3,274	-1	657	6
Other Personal Services	-2,529	-22	-3,123	3	430	22	-3,361	2	821	-19
Investigation and Security Services	-2,455	10	-2,166	7	-436	7	-3,185	-13	400	6
Management of Companies and Enterprises	-2,389	15	-1,906	26	-436	10	-2,439	-5	-433	-9
Other Schools and Instruction	-2,286	38	-3,168	39	966	33	-2,944	8	834	7

# Gulf Coast Region Year-over-Year Net Change in Business Establishments Sep-1990 to Sep-2020



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Investigation and Security Services	-2,455	10	-2,166	7	-436	7	-3,185	-13	400	6
Management of Companies and Enterprises	-2,389	15	-1,906	26	-436	10	-2,439	-5	-433	-9
Other Schools and Instruction	-2,286	38	-3,168	39	966	33	-2,944	8	834	7

## Key Takeaways

- Despite record job losses, business formation and expansion has continued throughout the pandemic over the 5 different timeframes shown
- Continued business formation counteracts permanent job destruction
- More businesses/employers = more job opportunities as the economy recovers

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# Thank You!

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