



## Opinion Poll

### The Role of Micro Businesses in Our Economy

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## Executive Summary

Small businesses are one of the most respected constituencies in the country, and certainly one of the most courted by policymakers in Washington. However, small businesses are also a group that legislators and the general public understand little about—the very smallest ones, especially. Those businesses are known as “micro businesses.”

A new opinion poll sheds light on the true nature of our nation’s micro businesses,<sup>1</sup> revealing their important role in our economy and its recovery. Commissioned by the Association for Enterprise Opportunity, the National Association for the Self-Employed and Small Business Majority, the poll leaves no doubt that these businesses are a major driver of our economic recovery. The poll refutes the perception that micro businesses are merely hobbyists selling tchotchkes on the Internet. In reality, nearly three-quarters of those surveyed report their micro business as their sole source of income. Nearly six in 10 have been in business for 10 years or longer. These are clearly real businesses providing a real living for these small business owners and their families.

Poll results leave no doubt that these businesses contribute significantly to the American economy. Despite our overall slow fiscal recovery, more than half employed a contractor or 1099 employee in the past year, and nearly a third have hired a full-time employee in the past year. These businesses greatly stimulate their local economies, as well, with nearly three-quarters reporting that at least some, if not all of their customers are local. More than half also report they spend \$10,000 or more annually on non-payroll expenses, such as equipment, computers, office supplies and more. Additionally, these businesses are growing—half of them plan to hire within the next two years, and 54% reported increased sales or revenues over the last two years.

What’s more, most micro business owners report they are doing well and are optimistic about the future, contrary to recent reports claiming otherwise. In fact, the number of respondents who say their business is doing well (50%) is five times the number who say their business isn’t doing well (only 10%). An impressive 67% of young owners (under 40) say their business is doing well. Optimism about the future is markedly high among entrepreneurs: nearly seven in 10 believe their business will be faring well over the next couple of years, as do a striking 81% of young owners. Minority business owners also demonstrate particularly strong optimism about their businesses’ future.

In spite of this optimism, the contribution these businesses can make to our economic recovery and their ability to grow and expand is at risk. More than two-thirds of respondents report that availability of credit for micro businesses is a problem. Four in 10 small businesses who applied for credit were turned down last year, despite the fact that three in five micro business owners say they need up to, if not more than \$50,000 in the next three years to sustain and grow their business.

And, the micro businesses that are eager to grow and hire are notably more likely to have trouble getting the credit they need than businesses that have been around longer and do not need credit. A 58% majority of businesses that actually need credit say getting it is a serious problem for their businesses. Moreover, ones that have hired in the last year are more likely to have been denied credit. These micro businesses need a boost, and if they had it, they would help our recovering economy.

This poll reflects an Internet survey of 470 small business owners, drawn from Research Now Panel and conducted by Greenberg Quinlan Rosner Research for the Association for Enterprise Opportunity, the National Association for the Self-Employed and Small Business Majority. The survey was conducted from Aug 4-8, 2012.

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<sup>1</sup> For the purposes of this poll, micro businesses are defined as businesses with 1-10 employees.

## Main Findings

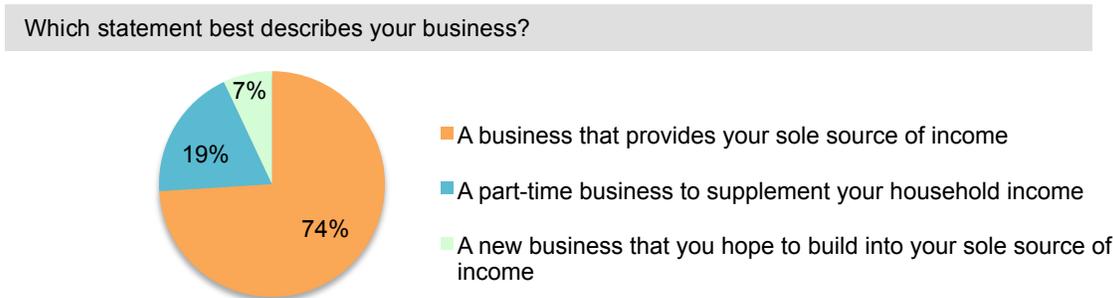
- **Sizable majorities of micro businesses provide a sole source of income for their owners and have been fully operational for more than 10 years:** Despite misconceptions that micro businesses are generally side projects that help provide a second household income, 74% of their owners report micro businesses to be a sole source of income and 57% have been operating for 10 years or more.
- **Despite our lagging economic recovery, micro businesses have been growing and show strong signs they'll continue doing so:** A 54% majority have employed a contractor or 1099 employee in the past year and nearly a third have hired a full time employee in the past year. Half of them plan to hire within the next two years.
- **The impact micro businesses have on our economic growth is real:** Micro businesses are not just hiring part-time, low paid workers: more than six in 10 spent over \$50,000 in payroll this year and 54% spend more than \$10,000 annually on non-payroll expenses such as equipment, computers, office supplies and more. In addition, a majority even reports an increase in sales or revenues over the last two years.
- **Micro businesses stimulate local economies: three-quarters of owners report that at least some, if not all of their customers are right in their own communities:** These entrepreneurs are based in their own communities, with 74% doing all or some of their business locally: 36% report most of their customers to be local, and nearly four in 10 report a mix of local and non-local customers. Less than a quarter say their customers are mostly from outside their community.
- **Contrary to what some reports have recently said, opinion polling found micro business owners believe their companies are doing well:** Half of micro business owners say their business is doing well, compared to only 10% who say their business isn't doing well. Moreover, an impressive 67% of respondents under 40 say their business is doing well.
- **Rather than demonstrating uncertainty about the economy, micro business owners are markedly confident about where they see their business in the near future—particularly young and minority business owners:** A strong majority of all micro business owners surveyed—nearly seven in 10—believe their business will be faring well over the next couple of years. An overwhelming 81% of respondents under 40 feel the same way. What's more, 67% of owners in that age group say they plan on hiring, along with 58% of minority business owners.
- **Lackluster credit conditions are threatening to hinder micro business growth potential and thereby dampen overall fiscal recovery; the majority of micro businesses will need loans or credit in the next three years to remain successful and grow:** A 61% majority of micro business owners report they'll need loans or credit worth up to or more than \$50,000 to sustain their business and hire employees over the next three years, however 40% of those who tried to access credit during the last two years were denied.
- **Owners eager to grow and hire are more likely to have trouble getting the credit they need than businesses that aren't doing as much hiring:** A broad 67% of respondents view credit availability as a problem for small businesses in general. But when taking into account only owners who say they need credit, a 58% majority view the availability of credit as a serious problem for their business. This sentiment is not surprising, considering businesses that hired last year were more likely to have been denied credit.
- **Outside of access to credit, marketing and sales topped micro business owners' list of services they're most in need of:** Nearly half, or 48%, cited marketing and sales as one of the top areas they most need help with for their business, while tax preparation (27%) and technology (21%) came in second and third.
- **These businesses are politically diverse:** 49% identified as Republican or lean Republican; 35% identified as Democrat or lean Democrat; 10% identified as independent and 7% identified as "other."

## Micro Businesses Are Real, Established Entities That Sustain Jobs

A recent poll commissioned by the Association for Enterprise Opportunity, the National Association for the Self-Employed and Small Business Majority helps reveal who micro business owners really are, countering many misconceptions about them, including that they're simply hobbyists earning a little extra cash selling handicrafts.

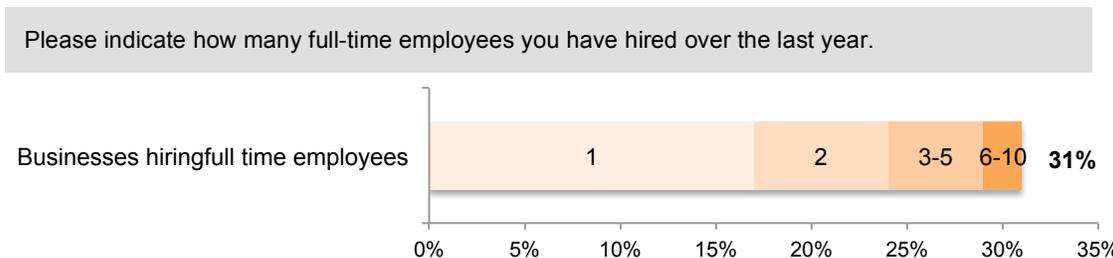
The reality is nearly three-quarters of these owners depend on their micro business for their sole source of income and 57% have been in business for more than 10 years. In addition, 64% of respondents say their micro business produces at least half of their household income, with nearly one-third (29%) reporting that the business produces their entire household income.

■ **Figure 1: Micro businesses contribute significantly to the American economy: 74% of these owners' businesses provide their sole source of income**



Micro businesses in the United States are growing. A 54% majority employed a contractor or 1099 employee during the past year, and nearly a third have hired a new full-time employee in the past year. Another 54% report an increase in sales or revenues over the last two years.

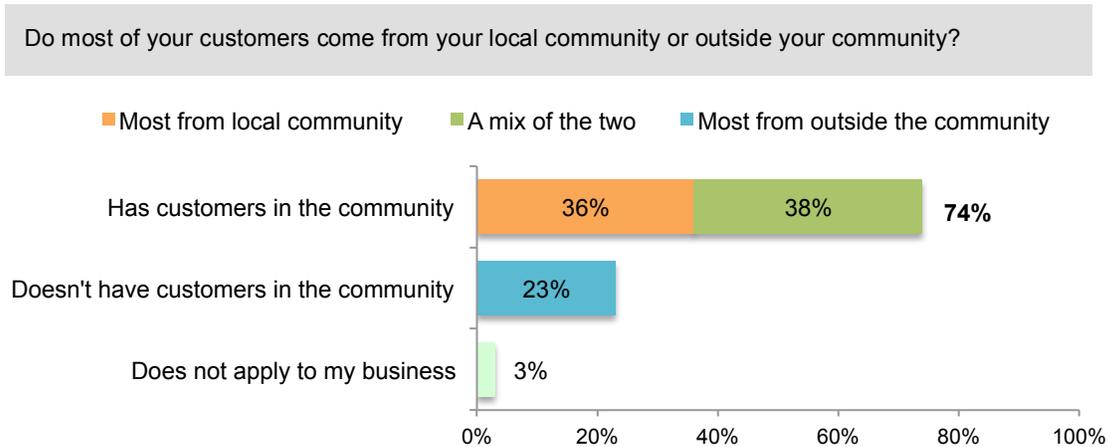
■ **Figure 2: Micro businesses are growing: more than half report increased sales or revenues over the last two years and nearly a third hired a new full-time worker in the past year**



A full half of micro business owners plan to hire within the next two years, as well. And they are not just hiring part time, low paid workers: more than six in 10 spent over \$50,000 in payroll this year.

These entrepreneurs help stimulate their local economies, with 74% doing all or some of their business locally. Thirty-six percent report most of their customers to be local, and 38% report a mix of local and non-local customers. Only 23% say their customers are mostly from outside their community.

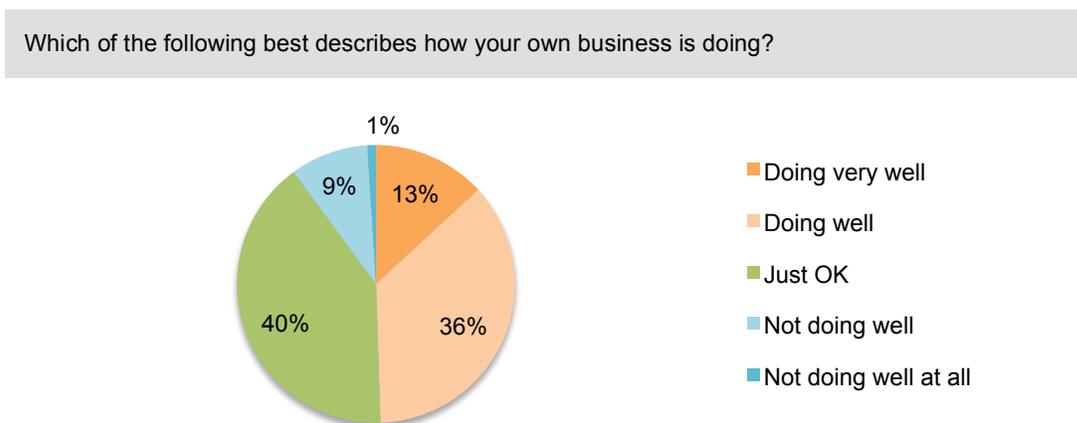
■ **Figure 3: Micro businesses stimulate their local economies, with nearly three-quarters doing all or some of their business locally**



## Micro Businesses Exhibit Marked Optimism About The Future

In contrast to recent reports indicating otherwise, most micro business owners report they are doing well and are optimistic about their businesses' future. In fact, half say their business is doing well (compared to only 10% who say their business isn't doing well). A notable 67% majority of young owners (under 40) say their business is doing well.

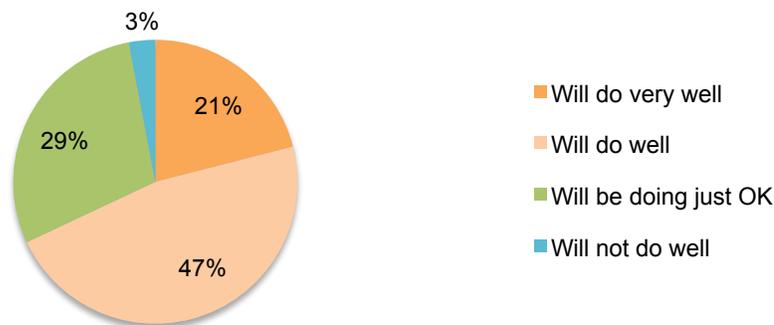
■ **Figure 4: Half of businesses reported their business is doing well (compared to only 10% who said their business isn't doing well)**



By the same turn, micro business owners show high levels of confidence about the near future, rather than exhibiting uncertainty about the economy. Nearly seven in 10 believe their business will do well over the next couple of years, and more than four in five young owners say the same thing. Minority business owners, too, demonstrate particularly striking optimism about their businesses' future.

■ **Figure 5: Nearly seven in 10 micro business owners are optimistic about their businesses' future; young owners and minority business owners agree**

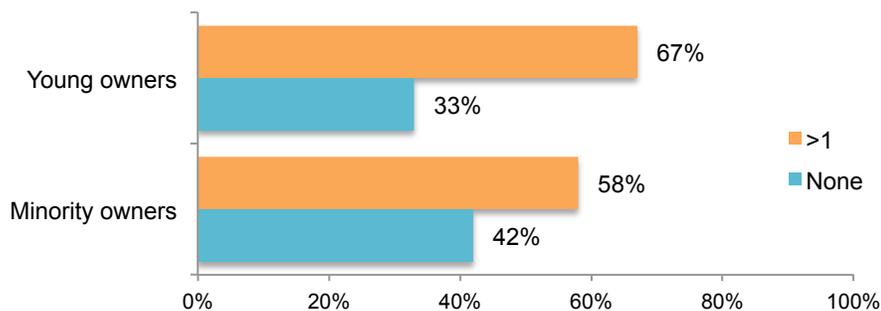
Looking forward, which of the following best describes how your business will be doing over the next couple of years?



In addition to believing success is on the near horizon for their businesses, young and minority business owners are also the most likely to say they plan on hiring workers in the future. Sixty-seven percent of business owners under 40 say they plan on hiring, and 58% of minority owned businesses also plan on hiring.

■ **Figure 6: The vast majority of young and minority business owners plan on hiring over the next couple years**

Looking ahead, about how many new full or part-time employees do you believe you will hire over the next two years?



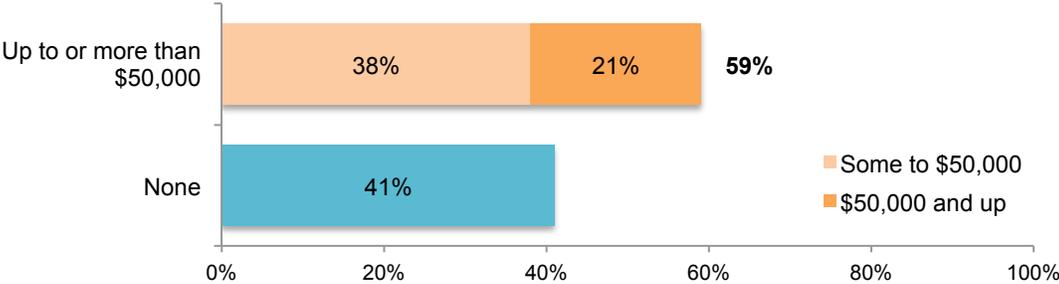
# Credit Conditions Threaten the Growth Potential of Micro Businesses Seeking Expansion

The poll results resoundingly establish micro businesses’ robust growth potential, and the fact that their owners are keenly aware of that potential and are seeking to live up to it. However, the lack of access to credit, along with limited demand and increasing costs, that entrepreneurs face today could have adverse, significant impacts on these businesses’ ability to grow.

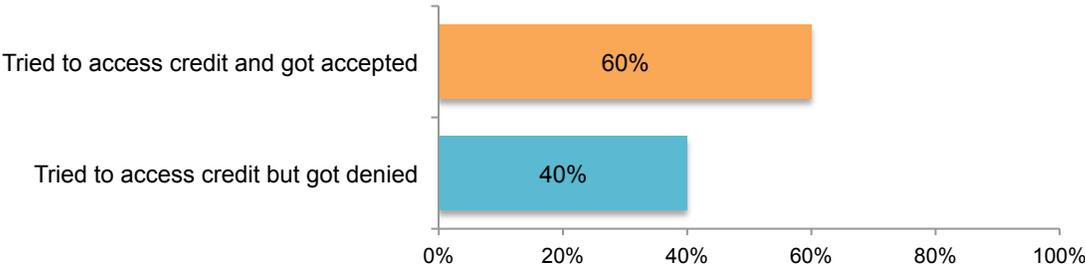
Six in 10 micro business owners say that to sustain their business and hire employees over the next three years, they will need loans or credit worth up to or more than \$50,000. Yet 40% of those who tried to access credit during the last two years have been denied.

**Figure 7: Six in 10 micro businesses say they need up to or more than \$50,000 over the next three years to sustain their business; 40% who tried to access credit in last two years been denied**

Looking ahead three years, about how much total credit or loans do you believe you will need to keep and grow your business?

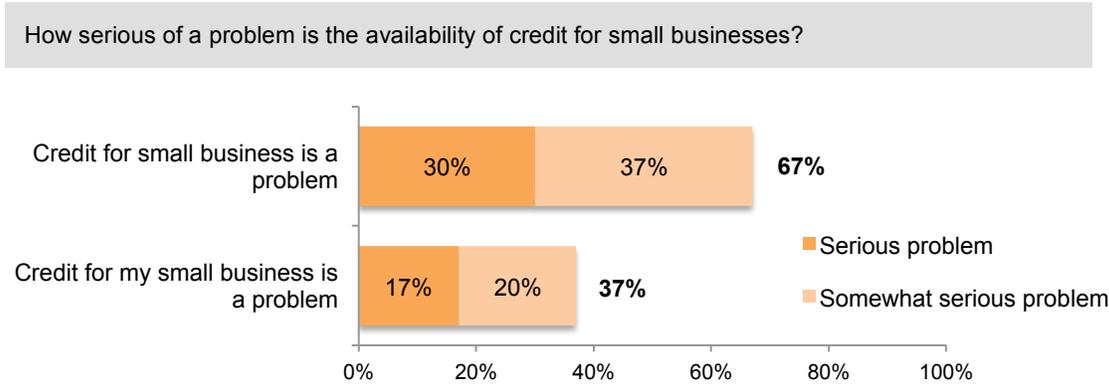


Over the last two years, have you attempted to borrow money for business purposes from any source, including banks, credit cards or borrowing from friends and family?  
Have you been denied credit in the last two years?



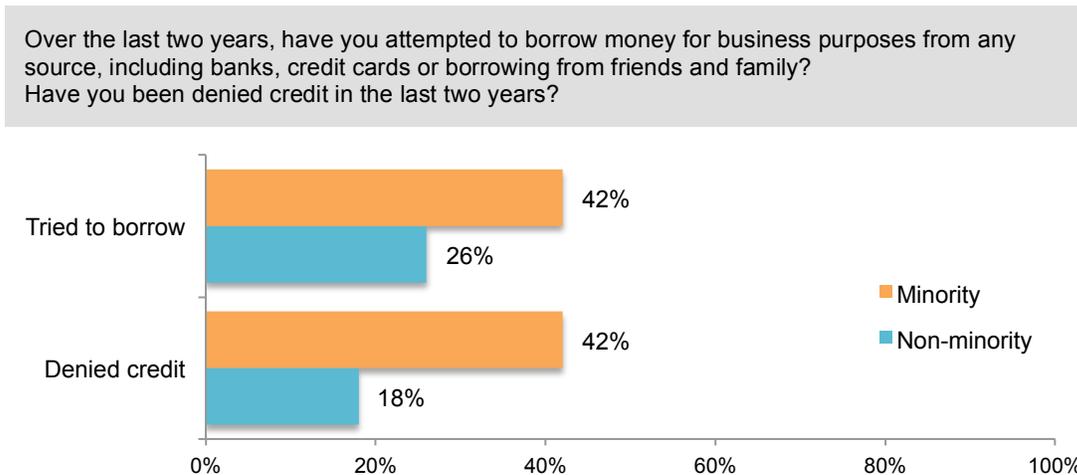
What’s more, the micro businesses that need credit the most in order to expand are the ones least likely to be able to access it. While a 67% majority view credit availability as a serious problem, just 37% overall view it as serious problem for *their own business*. However, of the owners who indicate they need credit to grow, a 58% majority has met great difficulty in getting it, leading them to report the availability of it as a serious problem for their business.

■ **Figure 8: A strong majority view credit availability as a problem, and of those who say they need credit to grow, 58% has had difficulty in getting it**



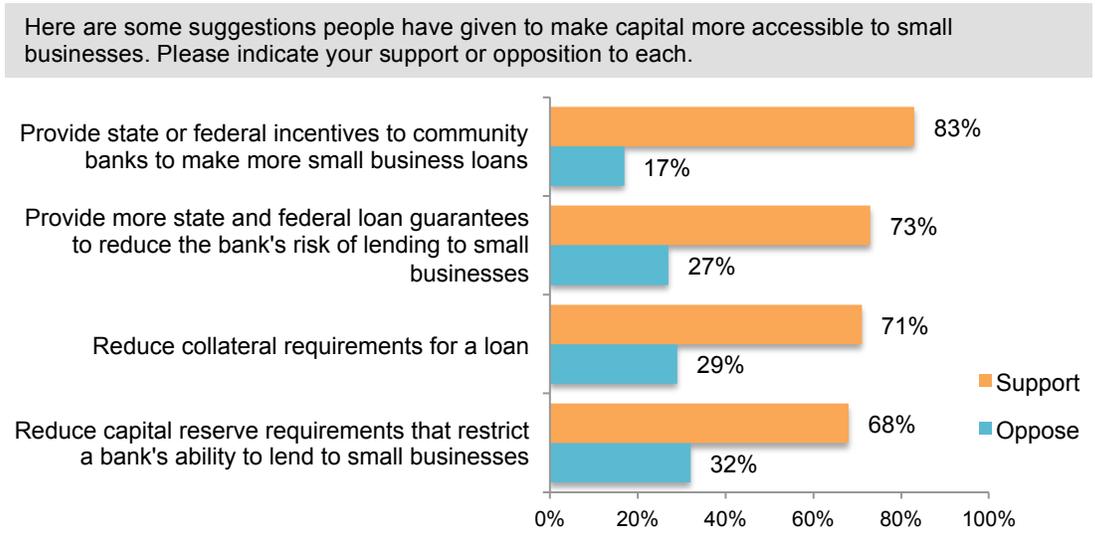
In terms of demographics, minority business owners are more likely to have attempted to borrow money, but also more than twice as likely to have been denied credit: 42% of minority business owners have been denied overall, compared to 18% of non-minority owned businesses.

■ **Figure 9: Minority micro business owners are twice as likely to have been denied credit than non-minority owners**



All things considered, it makes sense micro business owners strongly support efforts to make credit more available. Every measure tested received over 60% support. The most popular proposal involved providing incentives to community banks to make more small business loans, with 83% support, followed by providing more state and federal loan guarantees to reduce banks' small business lending risks (73%), reduced collateral requirements for a loan (71%) and reduced capital reserve requirements that restrict banks' abilities to make small business loans (68%).

**Figure 10: Micro business owners strongly support efforts to make credit more available**



When asked what these owners believe to be the biggest problems they're facing, lack of consumer demand (28%) and the rising cost of doing business (27%) top their list. These issues ranked higher than taxes (23%) and government regulations (20%). Lastly, when asked what services they believe could most help their business, they cited marketing and sales (48%), tax preparation (27%) and technology (21%) as the three areas where they need the most help with their business.

**Figure 11: Micro business owners believe marketing and sales support is the area where they could use the most help with their business**



## Conclusion

Scientific opinion polling makes it evident micro businesses are a boon to the nation's economy. As misunderstood as they often are by legislators, media and the general public, these businesses are vital contributors to the economic recovery ahead. Most importantly, they have been doing well and growing. This proven success, coupled with their undeniable air of optimism about the future, helps underscore the importance of creating conditions for micro businesses to thrive. While entrepreneurs are confident about their businesses and the future, it's also true that many of them—particularly the ones most eager to expand and hire—need access to capital in order to sustain their growth. But oftentimes, it's those businesses that have the hardest time getting credit or help with various other services, including sales and marketing, that will help them grow and ensure their profitability.

Now that it's clear who micro business owners are—and that they will be key to creating jobs in the foreseeable future—the task at hand is ensuring they have sufficient access to the things they need that will foster their outstanding growth potential.

## Methodology

This poll reflects an Internet survey of 470 small business owners, drawn from Research Now Panel and conducted by Greenberg Quinlan Rosner Research for the Association for Enterprise Opportunity, the National Association for the Self-Employed and Small Business Majority. The survey was conducted from Aug 4-8, 2012. The overall margin of error is +/- 4%.

**Association for Enterprise Opportunity** The Association for Enterprise Opportunity is a national membership organization and voice of micro business development in the United States. For nearly two decades, AEO and its hundreds of member organizations have helped more than two million entrepreneurs support themselves and their families and contribute to their communities through business ownership.

**National Association for the Self-Employed** The National Association for the Self-Employed was founded in 1981 and is the nation's leading resource for the self-employed and micro-business owners.

**Small Business Majority** Small Business Majority was founded and is run by small business owners to present a non-ideological, pragmatic view of public policy issues affecting America's 28 million small businesses and the self-employed.

## Poll Toplines

Aug 4-8, 2012

470 Small business owners with 10 or fewer employees

Q.3 Do you own your own business?

	<b>Micro Employer</b>
Yes.....	100
No .....	-
Not sure .....	-
(ref:SBOSCR)	

Q.6 How many people do you employ full-time, including yourself but not including contractors?

	<b>Micro Employer</b>
1.....	27
2 .....	31
3 .....	18
4 .....	6
5 .....	7
6 .....	4
7 .....	2
8 .....	2
9 .....	1
10-19 .....	2
20-29 .....	-
30-39 .....	-
40-49 .....	-
50-50 .....	-
51-60 .....	-
61-70 .....	-
71-80 .....	-
81-90.....	-
91-100 .....	-
(ref:NUMEMPLY)	

Q.7 How many people do you employ part-time? These would be people you employ that require a W-2 form.

	<b>Micro Employer</b>
0 .....	61
1.....	15
2 .....	12
3 .....	4
4 .....	3
5 .....	3
6 .....	2
7 .....	-
8.....	0
9 .....	0
10-19 .....	0
20-29 .....	-
30-39 .....	-
40-49 .....	-
50-50 .....	-
51-60 .....	-
61-70 .....	-
71-80 .....	-
81-90.....	-
91-100 .....	-
(ref:NUMEMPLC)	

Q.8 Approximately how many people have you employed as contractors or 1099 employees over the last year?

	<b>Micro Employer</b>
None .....	46
1.....	14
2-5.....	30
6-10.....	9
11-25.....	1
26-50 .....	1
51-100 .....	-
More than 100 .....	-
(Don't know/refused).....	-
(ref:NMEMPLYC)	

Q.9 How long have you been in business?

	<b>Micro Employer</b>
Less than one year .....	2
1-3 years.....	13
4-6 years .....	13
7-10 years.....	15
More than 10 years.....	57
(Don't know/refused).....	-
(ref:LONG)	

Q.10 Which statement best describes your business?

	<b>Micro Employer</b>
A business that provides your sole source of income .....	74
A part-time business to supplement your household income .....	19
A new business that you hope to build into your sole source of income.....	7
A temporary business to provide income while looking for full-time employment.....	0
(Don't know/refused).....	-
(ref:START)	

Q.11 Which ONE of the following best describes your workplace?

	<b>Micro Employer</b>
Home office .....	38
Commercial office space.....	23
Home office, employees working remotely .....	14
A storefront shop or other retail establishment .....	11
A manufacturing space or warehouse.....	5
A co-working space .....	2
Work in clients' homes.....	3
Other (specify).....	5
(Don't know/refused).....	-
(ref:RUN)	

Q.12 Do most of your customers come from your local community or outside your community?

	<b>Micro Employer</b>
Most from local community .....	36
Most from outside the community .....	23
A mix of the two.....	38
Does not apply to my business.....	3
(Don't know/refused).....	-
(ref:CUST)	

Q.13 Please indicate how many full-time employees you have hired over the last year.

	<b>Micro Employer</b>
None .....	69
1.....	17
2 .....	7
3-5.....	5
6-10 .....	2
(Don't know/refused).....	-
(ref:NWEMPLOY)	

Q.14 Please indicate how many part-time employees you have hired over the last year.

	<b>Micro Employer</b>
None .....	70
1.....	16
2 .....	8
3-5.....	4
6-10.....	2
More than 10 .....	0
(Don't know/refused).....	-
(ref:NWEMPLYP)	

[158 Respondents]

Q.15 Which of the following best describes the reasons why you have not hired people to do work for you:

	<b>Micro Employer</b>
Business does not make enough money .....	55
Do not want to manage new employees .....	23
Concerned about the economy.....	12
Concerned about new government regulations.....	6
Easier to use contract labor.....	4
Cannot find qualified candidates .....	-
(Don't know/refused).....	-
(ref:NOTHIRE)	

Q.16 Looking ahead, about how many new full or part-time employees do you believe you will hire over the next two years?

	<b>Micro Employer</b>
None .....	50
1.....	20
2 .....	19
3-5.....	8
6-10.....	2
More than 10 .....	2
(Don't know/refused).....	-
(ref:FHIRE)	

Q.17 Which of the following best describes how your own business is doing?

	<b>Micro Employer</b>
Doing very well.....	13
Doing well.....	36
Just OK.....	40
Not doing well .....	9
Not doing well at all .....	1
(Don't know/refused).....	-
<b>Total Well.....</b>	<b>50</b>
<b>Total Not Well.....</b>	<b>10</b>
<b>Well - Not Well .....</b>	<b>39</b>
(ref:OWNBUS)	

Q.18 Looking forward, which of the following best describes how your business will be doing over the next couple of years?

	<b>Micro Employer</b>
Will do very well .....	21
Will do well .....	47
Will be doing just OK .....	29
Will not do well.....	3
Will not do well at all.....	0
(Don't know/refused).....	-
<b>Total Well .....</b>	<b>68</b>
<b>Total Not Well.....</b>	<b>3</b>
<b>Well - Not Well .....</b>	<b>65</b>
(ref:FOWNBUS)	

Q.19 Which ONE or TWO of the following do you believe are the biggest problems facing your business?

	<b>Micro Employer</b>
Lack of consumer demand .....	28
Rising costs of doing business, such as higher materials or supply costs .....	27
Taxes .....	23
Government regulation .....	20
Rising costs of doing business, such as higher fuel or electricity costs .....	20
Cost of providing health care to employees .....	15
Competition from big corporations .....	16
Access to capital .....	11
(Refused) .....	0
(ref:BIGPROB3)	

Q.20 During the last two years, how would you describe your business' sales or revenues?

	<b>Micro Employer</b>
Increased by more than 100 percent .....	4
Increased by 50 to 99 percent.....	6
Increased by 25-49 percent.....	10
Increased by 10 to 25 percent .....	18
Increased by less than 10 percent .....	16
No change .....	17
Is down by less than 10 percent .....	10
Is down by 10-25 percent .....	14
Is down by more than 50 percent .....	6
(Don't know/refused).....	-
<b>Total Increased.....</b>	<b>54</b>
<b>No change.....</b>	<b>17</b>
<b>Decreased.....</b>	<b>30</b>
(ref:SALES)	

Q.21 In your business, how much do you spend on average per year on non-payroll expenses such as equipment, computers, office supplies, auto mileage, rent, insurance etc.? Again, this is any expense not involving payroll.

	<b>Micro Employer</b>
\$1-\$5,000 .....	25
\$5,000-\$10,000 .....	22
\$10,000-\$20,000 .....	15
\$20,000-\$30,000 .....	11
\$30,000-\$50,000 .....	9
\$50,000-\$100,000 .....	11
Over \$100,000 .....	8
(Don't know/refused).....	-
(ref:CAPEXPND)	

[345 Respondents]

Q.22 In your business, how much do you spend on average per year on payroll?

	<b>Micro Employer</b>
Under \$25,000 .....	20
\$25,000-\$50,000 .....	19
\$50,000-\$100,000 .....	24
\$100,000-\$200,000 .....	22
\$200,000-\$500,000.....	12
\$500,000-\$1,000,000.....	3
Over \$1,000,000 .....	0
(Don't know/refused).....	-
(ref:PAYEXPND)	

Q.23 Over the last two years, have you attempted to borrow money for business purposes from any source, including banks, credit cards or borrowing from friends and family?

	<b>Micro Employer</b>
Yes.....	29
No .....	71
(Don't know/refused).....	-
<b>Yes - No .....</b>	<b>-42</b>
(ref:BORROW1)	

[136 Respondents]

Q.24 (IF ATTEMPTED TO BORROW) How much money were you attempting to borrow?

	<b>Micro Employer</b>
None .....	1
Some credit, but under \$25,000.....	45
\$25,000- to under \$50,000.....	18
\$50,000 to under \$100,000 .....	16
\$100,000 to under \$250,000 .....	8
\$250,000 to under \$500,000.....	6
\$500,000 to under \$1 million .....	2
\$1 million to under \$2 million .....	1
\$2 million or more .....	3
Don't know .....	-
Prefer not to say .....	-
<b>Less than \$50,000 .....</b>	<b>64</b>
<b>\$50,000 and up .....</b>	<b>36</b>
(ref:BORROW5)	

[136 Respondents]

Q.25 (IF ATTEMPTED TO BORROW) Why did you attempt to borrow for business purposes?

	<b>Micro Employer</b>
To purchase equipment.....	39
To bridge the gap between payables and receivables .....	38
To pay outstanding debts .....	38
To expand business .....	31
To finance orders.....	16
To pay employees .....	10
To start a new business .....	7
To hire new permanent employees.....	5
To hire new temporary employees.....	2
Other .....	11
(Don't know).....	-
(ref:BORROW2)	

[334 Respondents]

Q.26 (IF NOT ATTEMPTED TO BORROW) Is the reason you have not attempted to borrow money for business purposes more because your business did not need credit or that you believed no credit would be available to you?

	<b>Micro Employer</b>
Did not need .....	80
No credit available.....	12
Neither .....	8
(Don't know).....	-
(ref:BORROW3)	

Q.27 Which of the following are the most important types of financing for your business? You may pick up to three responses.

	<b>Micro Employer</b>
Re-invest profits/proceeds.....	40
Loan from commercial bank loans or lines of credit.....	37
Loan from credit cards.....	22
Loan from family/friends.....	12
Loan from small Business Administration/government guaranteed loan.....	10
Loan from home equity line.....	10
Government grants (local, state or federal).....	6
Loan invoice factoring.....	2
Crowd funding.....	2
Loan from online lending such as Lending Club or Prosper.....	1
Loan from Community Development Financial Institution or non-profit lender (example Accion).....	1
Other.....	11
(Don't know).....	0
(ref:CRSOURCE)	

Q.28 How serious of a problem is the availability of credit for small businesses?

	<b>Micro Employer</b>
A serious problem.....	30
A somewhat serious problem.....	37
Minor problem.....	15
Not really a problem.....	17
(Don't know).....	0
<b>Total Serious.....</b>	<b>67</b>
<b>Not Serious.....</b>	<b>32</b>
(ref:CREDIT5)	

Q.29 Thinking specifically about your business, how serious of a problem is the availability of credit?

	<b>Micro Employer</b>
A serious problem.....	17
A somewhat serious problem.....	20
Minor problem.....	21
Not really a problem.....	42
(Don't know).....	0
<b>Total Serious.....</b>	<b>37</b>
<b>Not Serious.....</b>	<b>63</b>
(ref:CREDIT6)	

Q.30 Looking ahead three years, about how much total credit or loans do you believe you will need to keep and grow your business?

	<b>Micro Employer</b>
None .....	41
Some credit, but under \$25,000.....	28
\$25,000- to under \$50,000.....	10
\$50,000 to under \$100,000 .....	9
\$100,000 to under \$250,000 .....	6
\$250,000 to under \$500,000.....	2
\$500,000 to under \$1 million .....	1
\$1 million to under \$2 million .....	1
\$2 million or more .....	1
Don't know .....	-
Prefer not to say .....	-
<b>None .....</b>	<b>41</b>
<b>Some to \$50,000 .....</b>	<b>38</b>
<b>\$50,000 and up .....</b>	<b>21</b>
(ref:CREDIT9)	

Q.31 Have you ever used your home as a source of capital for your business, through refinancing or as collateral for a loan or line of credit?

	<b>Micro Employer</b>
No, have not used home as a source of credit.....	67
No, do not own home/does not apply.....	9
Yes, line of credit .....	17
Yes, refinancing your mortgage .....	5
Yes, used as collateral for a loan .....	5
(Don't know).....	-
<b>Total No.....</b>	<b>76</b>
<b>Total Yes.....</b>	<b>24</b>
(ref:HOME)	

Q.32 Have you used a credit card (either personal or in the name of your businesses) that you are responsible for repaying to help finance your business?

	<b>Micro Employer</b>
Yes.....	64
No .....	36
(Don't know).....	-
(ref:CARDS)	

[300 Respondents]

Q.33 (IF USED CREDIT CARDS) What is the most credit card debt related to your business you've carried over the last two years?

	<b>Micro Employer</b>
Less than \$1,000 .....	30
Between \$1,000 and \$2,000.....	15
Between \$2,000 and \$5,000 .....	16
Between \$5,000 and \$10,000 .....	15
Over \$10,000.....	24
(Don't know/refused).....	-
<b>Under \$5,000 .....</b>	<b>61</b>
<b>\$5,000 or more.....</b>	<b>39</b>
(ref:CCDEBT)	

Q.34 Have you ever signed a loan for your business for which you are NOT the personal guarantor?

	<b>Micro Employer</b>
Yes.....	6
No .....	94
(Don't know).....	-
(ref:LOANGR)	

Q.35 Here are some suggestions people have given to make capital more accessible to small businesses. Please indicate your support or opposition to each.

	<b>Strng Supp</b>	<b>Smwt Supp</b>	<b>Smwt Opp</b>	<b>Strng Opp</b>	<b>DK/ Ref</b>	<b>Total Supp</b>	<b>Total Opp</b>	<b>Supp - Opp</b>
35 Reduce capital reserve requirements that restrict a bank's ability to lend to small businesses. <b>Micro Employer</b> .....	28	40	22	10	-	<b>68</b>	<b>32</b>	<b>36</b>
36 Reduce collateral requirements for a loan <b>Micro Employer</b> .....	29	43	23	6	-	<b>71</b>	<b>29</b>	<b>43</b>
37 Provide state or federal incentives to community banks to make more small business loans. <b>Micro Employer</b> .....	38	45	12	5	-	<b>83</b>	<b>17</b>	<b>67</b>
38 Provide more state and federal loan guarantees to reduce the bank's risk of lending to small businesses <b>Micro Employer</b> ..... (ref:CREDBAT)	32	41	18	9	-	<b>73</b>	<b>27</b>	<b>45</b>

Q.39 Have you been denied credit in the last two years?

	<b>Micro Employer</b>
Yes.....	22
No .....	78
(Don't know/refused).....	-
(ref:HIRE3)	

Q.40 If your business had more access to credit or capital, would you be more or less likely to hire more employees or would it make no difference either way?

	<b>Micro Employer</b>
More likely .....	28
Less likely .....	3
No difference .....	69
(Don't know/refused).....	-
<b>More likely - Less likely.....</b>	<b>25</b>
(ref:HIRE2)	

Q.41 Outside of the issue of credit, in which two or three of the following areas do you need the most need help with your business?

	<b>Micro Employer</b>
Marketing and sales .....	48
Tax preparation .....	27
Technology .....	21
Accounting.....	18
Legal issues.....	15
Human resources management and recruitment .....	10
Operations management.....	8
None .....	22
(Don't know).....	0
(ref:SERVICES)	

Q.42 These last questions are for statistical purposes only: Which of the following categories best describes your business?

	<b>Micro Employer</b>
Professional services .....	47
Retail or wholesale .....	18
Education, health care or a non-profit organization .....	2
Construction .....	6
Industry or manufacturing.....	4
Transportation or utilities.....	1
Agriculture.....	1
Food services or production.....	2
Other (write in).....	17
Refused .....	-
(ref:BUSTYPE)	

Q.43 In what year were you born?

	<b>Micro Employer</b>
18 - 24 .....	1
25 - 29 .....	4
30 - 34 .....	8
35 - 39 .....	8
40 - 44 .....	13
45 - 49 .....	12
50 - 54 .....	13
55 - 59 .....	13
60 - 64 .....	10
65 and over .....	18
(No answer) .....	-
(ref:AGE)	

Q.44 Generally speaking, do you think of yourself as a Republican, a Democrat, an Independent, or something else?

	<b>Micro Employer</b>
Democrat .....	22
Independent-lean Democrat .....	13
Independent .....	10
Independent-lean Republican .....	12
Republican .....	37
Other .....	7
Don't know/Refused .....	-
(ref:PTYID1)	

Q.46 What is the last year of schooling that you have completed?

	<b>Micro Employer</b>
1 - 11th grade .....	1
High school graduate .....	6
Non-college post H.S. ....	1
Some college .....	25
College graduate .....	40
Post-graduate school .....	28
Don't know/Prefer not to say .....	-
(ref:EDUC)	

Q.47 For statistical purposes only, which of these categories best describes the gross revenue of your business in 2011?

	<b>Micro Employer</b>
Under \$25,000 .....	12
\$25,000 to under \$50,000 .....	12
\$50,000 to under \$100,000 .....	19
\$100,000 to under \$250,000 .....	24
\$250,000 to under \$500,000.....	17
\$500,000 to under \$1 million .....	11
\$1 million to under \$2 million .....	4
\$2 million or more .....	2
Don't know .....	-
Prefer not to say .....	-
(ref:INCOME)	

Q.48 How much of your total family income came from your business in 2011?

	<b>Micro Employer</b>
Under \$10,000 .....	13
Between \$10,000 and \$20,000 .....	11
Between \$20,000 and \$30,000.....	10
Between \$30,000 and \$50,000.....	14
Between \$50,000 and \$75,000 .....	17
Between \$75,000 and \$100,000 .....	13
Between \$100,000-\$150,000.....	12
Between \$150,000-\$200,000 .....	6
Over \$200,000.....	5
Prefer not to say .....	0
(ref:PCTINC)	

Q.49 What percentage does this represent of your family income?

	<b>Micro Employer</b>
All.....	29
More than 50 percent.....	35
25 to 50 percent.....	18
Less than 25 percent .....	18
(Don't know/refused).....	0
(ref:PCTINC2)	

Q.50 Do you own or rent your primary residence?

	<b>Micro Employer</b>
Own.....	83
Rent .....	14
Other.....	2
(Don't know/refused).....	1
(ref:HOMEOWNE)	

Q.51 What is your race?

	<b>Micro Employer</b>
White .....	79
African American or Black .....	3
Hispanic or Latino.....	6
Asian or Pacific Islander .....	5
American Indian or Native American.....	1
Other .....	1
Biracial or multiracial .....	1
Prefer not to say .....	4
(ref:RACE)	

Q.53 Is your business minority- or woman-owned?

	<b>Micro Employer</b>
Yes, minority owned.....	9
Yes, woman owned .....	32
Yes, both .....	7
No .....	52
Refused .....	-
<b>Total Minority.....</b>	<b>16</b>
<b>Total Women .....</b>	<b>39</b>
<b>Total Women/Minority.....</b>	<b>48</b>
(ref:MINOWN)	

Q.2 Before you begin, please answer a few questions about yourself to ensure that the survey has a representative sample. What is your gender?

	<b>Micro Employer</b>
Male .....	57
Female .....	43
(ref:GENDER)	