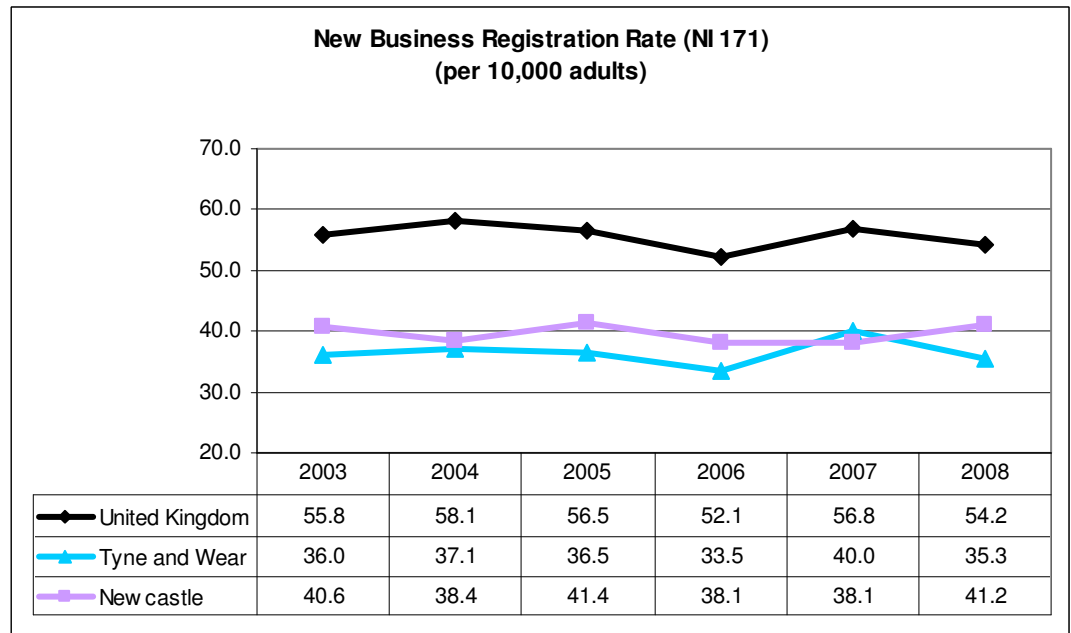


This bulletin provides a summary of key business points for Newcastle¹

KEY POINTS

New Business Registration Rate

- In 2008 the new business registration rate (National Indicator 171) in Newcastle was 41.2², 24.0% below the UK rate. This is the highest District registration rate in Tyne and Wear. Over the last six years it has, on average, been 28.6% below the UK rate (54.2).



Source: Office for National Statistics(ONS).

Active Enterprise and Business Survivals

- Newcastle upon Tyne's five-year survival rate for businesses is 2.2pp lower than the UK; for firms born in 2003, 44.4% were still active in 2008 (UK 46.6%). For Tyne and Wear the five-year survival rate was 0.5pp still lower at 43.9%. No Tyne and Wear District had a better five-year survival rate than the UK. There were 7,415 active enterprises in Newcastle upon Tyne in 2008, 14.7% employed 10 or more people (UK 10.5%).³

Business Growth

- In 2008, the number of businesses in Newcastle grew by 3.6% (a rise of 260). This was faster than the Tyne and Wear growth rate. Growth=births minus deaths.

Business Births

- There were 940 business births in Newcastle upon Tyne in 2008. Of these 4.8% (45) employed 10 or more people (UK 3.2%).⁴

Business Deaths

- There were 680 business deaths in Newcastle upon Tyne in 2008. Of these 5.9% (40) employed 10 or more people (UK 3.8%). Caution: business deaths contain an element of estimation by ONS.

¹ Businesses are defined using the Office for National Statistics 'Business Demographics' definition, which is much (50%+) wider than the VAT series.

² The rate is given by dividing new business registrations (enterprise births) by the population aged 16+ then multiplying by 10,000. Enterprise births are defined as new businesses registering for either VAT or PAYE (or both) for the first time.

³ Figures in this release are rounded (by the Office for National Statistics) to prevent disclosure.

⁴ Data for 2009 will be available after November 2010.