



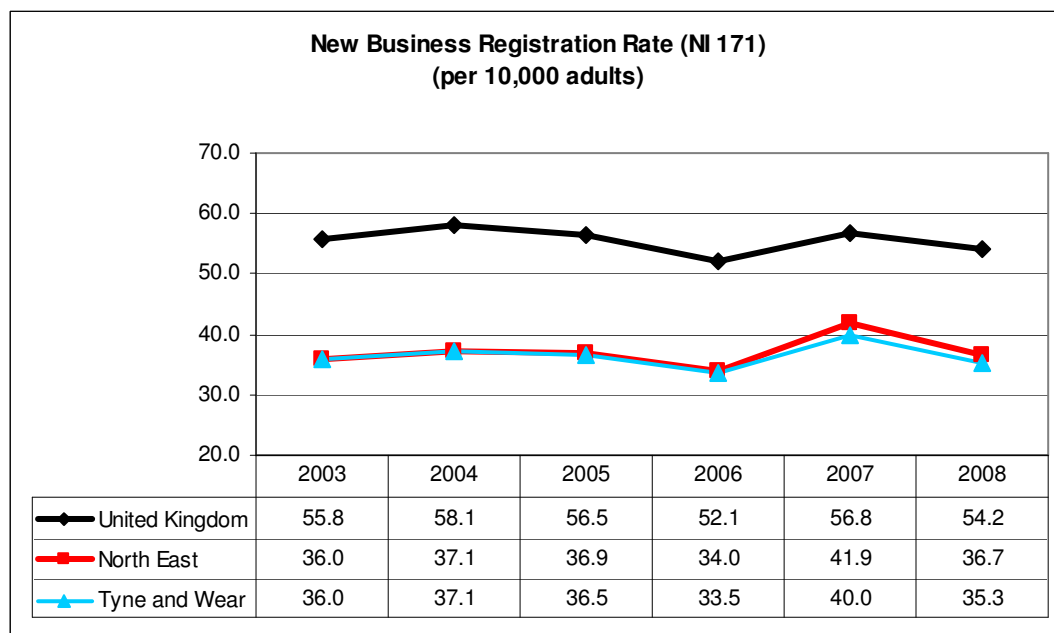
BUSINESS IN TYNE AND WEAR 2008

This bulletin provides a summary of key business points from the BD dataset for Tyne and Wear¹

KEY POINTS

New Business Registration Rate

- In 2008 the new business registration rate (National Indicator 171) in Tyne and Wear was 35.3² per 10,000 adults. This was over a third (34.9% or 18.9pts) below the UK rate. Tyne and Wear's registration rate was slightly lower than the North East rate. In 2008, the first year of recession, the Tyne and Wear rate fell by 11.8% compared to 2007; the UK rate fell by 4.6%.



Source: Office for National Statistics (ONS).

Active Enterprises and Business Survivals

- There were 25,805 active enterprises in Tyne and Wear in 2008 14.0% employed 10 or more people, showing the relatively large firm-size in Tyne and Wear (UK 10.5%).³ Tyne and Wear's five-year survival rate for businesses is 2.7pp lower than the UK; for those born in 2003, 43.9% of firms were still active in 2008 (UK 46.6%). No Tyne and Wear District had a better five-year survival rate than the UK.

Business Growth

- In 2008, the number of businesses in Tyne and Wear grew by 2.3% (585). Growth=births minus deaths.

Business Births

- There were 3,185 business births in Tyne and Wear in 2008. Of these 3.6% (115) employed 10 or more people (UK 3.2%).⁴

Business Deaths

- There were 2,600 business deaths in Tyne and Wear in 2008. Of these 4.8% (125) employed 10 or more people (UK 3.8%). Caution: business deaths include 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 should be available after Nov 2010.