

## Survey: Two-thirds of Fresno biz owners want out

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A recent survey by Union Bank found that more than two-thirds of Fresno County business owners are planning out-of-state moves.

The bank reported that 67 percent of Fresno County business owners who participated in its annual Small Business Economic Survey are planning to relocate outside of California. While the figure is triple the state average, most Fresno County owners cite being closer to family as the primary reason for planning a move, while most owners statewide cite tax burdens.

"Taxes remain a challenge for small business owners, especially in California, but as the economy continues to strengthen, labor and capital budgets will likely grow," said Todd Hollander, Union Bank managing director and head of business banking.

This news comes despite more Fresno County business owners having the brightest economic outlook in four years. The majority reported believing the economy is improving, and 90 percent reported feeling like their business is headed in the right direction. Data also showed that entrepreneurs worked longer hours in 2014 due to increased business.

Among the industries surveyed, businesses in the personal services sector reported the most optimism while retail store owners expressed the most pessimism. That didn't stop 32 percent of store owners adding staff in 2014, the most of any industry, while personal services reported being the most likely to cut staff. Overall, 17 percent of Fresno County business owners hired staff last year and the 50 percent layoff rate was the highest of any other region

surveyed.

Last year, 25 percent of minority business owners applied for a loan or access to credit, compared to 17 percent of overall respondents. Of those who applied, more minority business owners (81 percent) were approved compared with 76 percent overall. Fifty-eight percent of owners denied loans were able to secure alternative financing, up 20 percentage points from 2013.

"Helping small business owners obtain credit remains a priority for us, and it's encouraging that alternative financing is a growing option overall and that more minority business owners were approved for loans in 2014," said Kirsten Hakes, head of SBA lending at Union Bank.

More Fresno County owners (67 percent) than owners in all regions surveyed plan to apply for credit in 2015.

Seventeen percent of small business owners in Fresno County rated government efforts to stimulate business as good or very good in 2014, up eight points from the previous year. Positive perceptions about government efforts were higher among owners of certified women-, minority- and veteran-owned businesses compared to non-certified businesses.

Union Bank surveyed 631 respondents for the study. Small businesses were defined as having \$15 million or less in annual sales and were screened to ensure they had been in operation for a minimum of two years with owners over the age of 25.

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