

## Business Base

### Business Stock

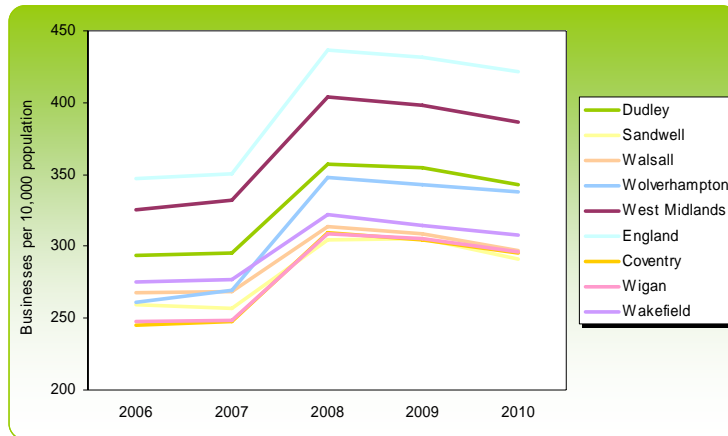
- In 2010, there were 10,510 active local business units in Dudley Borough. This accounts for 5% of all businesses in the WM region.
- Dudley Borough has the highest number of local business units in the Black Country. Dudley Borough has the 8th lowest number of local business units of the 14 upper tier authorities within the WM region.

<b>Business Base - Comparison Group 2006-2010</b>					
<b>Area</b>	<b>2006</b>	<b>2009</b>	<b>2010</b>	<b>% Change 2009-2010</b>	<b>% Change 2006-2010</b>
<b>Dudley</b>	<b>8,960</b>	<b>10,875</b>	<b>10,510</b>	<b>-3.4%</b>	<b>17.3%</b>
Sandwell	7,460	8,875	8,465	-4.6%	13.5%
Walsall	6,800	7,910	7,590	-4.0%	11.6%
Wolverhampton	6,215	8,180	8,055	-1.5%	29.6%
<b>Black Country</b>	<b>29,435</b>	<b>35,840</b>	<b>34,620</b>	<b>-3.4%</b>	<b>17.6%</b>
West Midlands Region	174,350	216,215	210,065	-2.8%	20.5%
England	1,762,175	2,237,555	2,183,845	-2.4%	23.9%
Coventry	7,465	9,530	9,240	-3.0%	23.8%
Wigan	7,525	9,350	9,070	-3.0%	20.5%
Wakefield	8,850	10,185	9,965	-2.2%	12.6%

Source: UK Business: Activity, Size and Location, ONS

- All areas within the comparison group experienced a decrease in business stock from 2009 to 2010. Dudley Borough saw a 3.4% reduction (365 local business units). This compares to 2.8% reduction for the WM region and 2.4% for England. Sandwell experienced the largest reduction (4.6%/410 businesses) and Wolverhampton demonstrated the smallest reduction (1.5/125 businesses).
- Nationally, there were 2.10 million enterprises registered for VAT and/or PAYE in 2010, compared to 2.15 million in 2009, a 2.4% decrease. All regions experienced a decrease in the number of businesses with the North West and the West Midlands experiencing the greatest decrease. London accounts for the largest number of businesses (15.8%) followed by the South East and East regions (15.7% and 10.2% respectively).
- The total stock of business units in Dudley Borough has grown by 17% between 2006 and 2009, a total of slightly over 1,500 businesses. This compares to increases of 20% for the WM region and 24% for England.
- Between 2006 and 2010, business density in Dudley Borough increased by 17% (from 293 to 343 businesses per 10,000 population). However, business density increased at a faster rate regionally and nationally, with a 19% increase for the WM region and a 22% increase for England.
- Dudley Borough requires over 1,300 additional businesses to match current levels of business density regionally and over 4,200 businesses to close the gap at a national level.

### Businesses per 10,000 population - 2006 - 2010

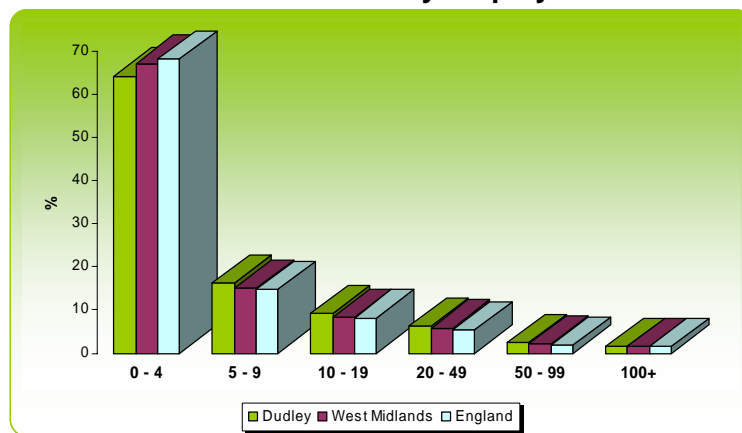


Source: UK Business: Activity, Size and Location, ONS

### Businesses by Employment Size Band

- The employment size band with the highest proportion of local business units in Dudley Borough is the 0-4 employees band (64.2%). This is less than the proportion in the WM region (67.1%) and less than in England (68.2%).
- 80% of local business units in Dudley Borough have less than 10 employees and 96% have less than 50 employees.
- Local units in the employment size band 100+ employees is proportionally less in Dudley Borough (1.5%) than in WM region.

### Proportion of Local Business Units by Employment Size Band - 2010



Local Business Units by Employment Size Band, 2010						
Area	0-4 %	5-9 %	10-19 %	20-49 %	50-99 %	100+ %
<b>Dudley</b>	<b>64.2</b>	<b>16.3</b>	<b>9.2</b>	<b>6.3</b>	<b>2.4</b>	<b>1.5</b>
Sandwell	59.6	17.4	10.1	7.6	3.3	2.1
Walsall	62.8	16.2	9.1	7.6	2.6	1.7
Wolverhampton	60.8	17.1	10.2	7.6	2.4	1.9
West Midlands	67.1	15.0	8.3	5.8	2.1	1.6
England	68.2	14.8	8.2	5.4	1.9	1.5
Coventry	64.6	15.0	8.8	6.7	2.4	2.5
Wigan	64.8	15.9	8.9	6.5	2.1	1.7
Wakefield	61.0	17.0	9.7	7.4	2.7	2.3

Source: UK Business: Activity, Size and Location, ONS

## Small Business Growth

- In 2007/08, 0.15% of the small businesses in Dudley Borough showed employment growth. This proportion was slightly above the proportion in the WM region and in England (both 0.14%).
- In Dudley Borough, the proportion of small businesses showing employment growth increased by 0.05 percentage points between 2003/04 and 2007/08. This change was greater than the increase in the WM region and greater than the increase in England (both 0.04 p.p).

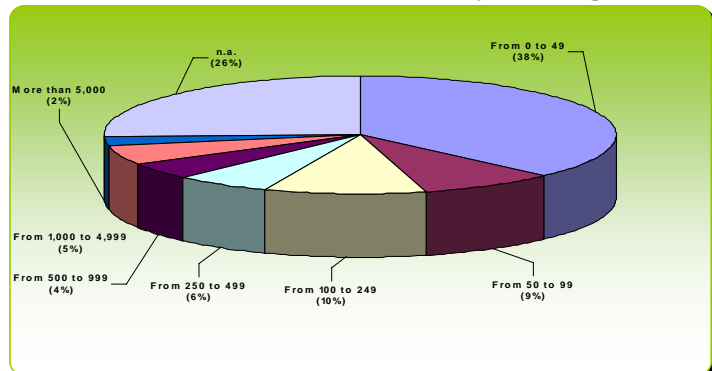
Percentage of Small Businesses showing Employment Growth by Area 2002-03 to 2007-08						
Area	2003-04 %	2004-05 %	2005-06 %	2006-07 %	2007-08 %	Change 2002-03 to 2007-08
<b>Dudley</b>	<b>0.10</b>	<b>0.11</b>	<b>0.14</b>	<b>0.15</b>	<b>0.15</b>	<b>0.05</b>
Sandwell	0.11	0.12	0.17	0.15	0.15	0.04
Walsall	0.10	0.11	0.14	0.14	0.14	0.04
Wolverhampton	0.10	0.12	0.13	0.14	0.15	0.05
West Midlands	0.10	0.11	0.14	0.14	0.14	0.04
England	0.10	0.11	0.14	0.14	0.14	0.04
Coventry	0.11	0.12	0.14	0.15	0.15	0.03
Wigan	0.11	0.13	0.16	0.15	0.14	0.03
Wakefield	0.13	0.12	0.16	0.16	0.15	0.02

Source: BIS

## Businesses by Turnover<sup>1</sup>

- It is estimated that over half of the businesses in Dudley Borough have a turnover below £249,000, which reflects the make-up of small businesses in the area.
- Less than 10% of businesses have a turnover above £1million and less than 3% have a turnover in excess of £5million.

**Business Turnover - Dudley Borough**



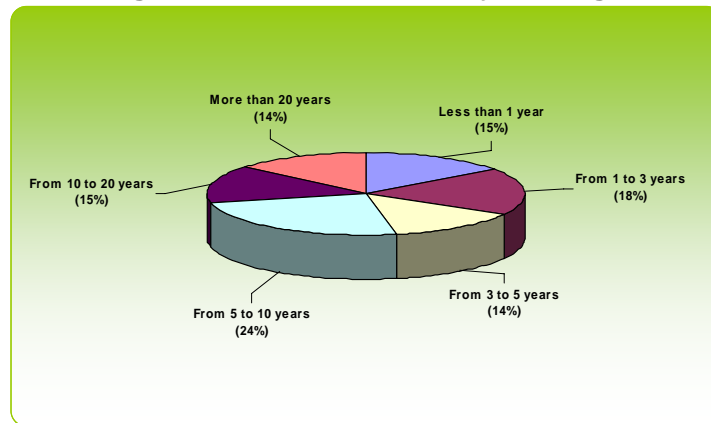
Source: FAME (Bureau van Dijk)

<sup>1</sup> Note: Turnover, business age and business type information has been sourced from FAME, an external database managed by Bureau van Dijk. The total number of businesses used for this analysis (9,188) is not comparable with the number used for previous analysis in this section. Turnover data is not available for 26% of the companies in Dudley Borough recorded on FAME.

## Age of Businesses

- There is a broad range of timeframes in which businesses in Dudley Borough have been trading. Almost 30% of businesses have been trading for 10 years or more.

### Age of Businesses - Dudley Borough



Source: FAME (Bureau van Dijk)

## Business Types and Operations

- The majority of businesses in Dudley Borough are private companies (96%).
- The Dudley Borough Business Survey also found that the majority of businesses (86%) operate on a single site. Much smaller proportions of businesses operate with a headquarters co-ordinating business operations across 2 or more sites (7%) or as a branch, subsidiary or division with UK headquarters (6%).

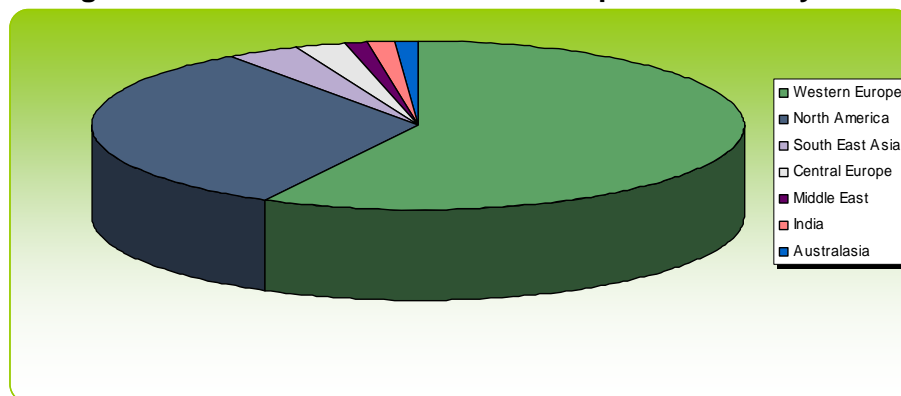
Business Type - Legal Form Dudley Borough	
Private	96.4%
Public not quoted	0.1%
Limited Liability Partnership	2.5%
Guarantee	0.7%
Other	0.3%

Source: FAME (Bureau van Dijk)

## Foreign Owned Companies

- Using the FAME database, there is global ownership data available for 83 companies in Dudley Borough.
- Of these 83 companies, over half are owned by companies in Western Europe with over 30% owned by companies in North America.
- The largest number are owned by companies in the United States (almost 30%) followed by Germany (18%) and Netherlands (8%).

### Coverage of Global Ultimate Owners of Companies - Dudley Borough

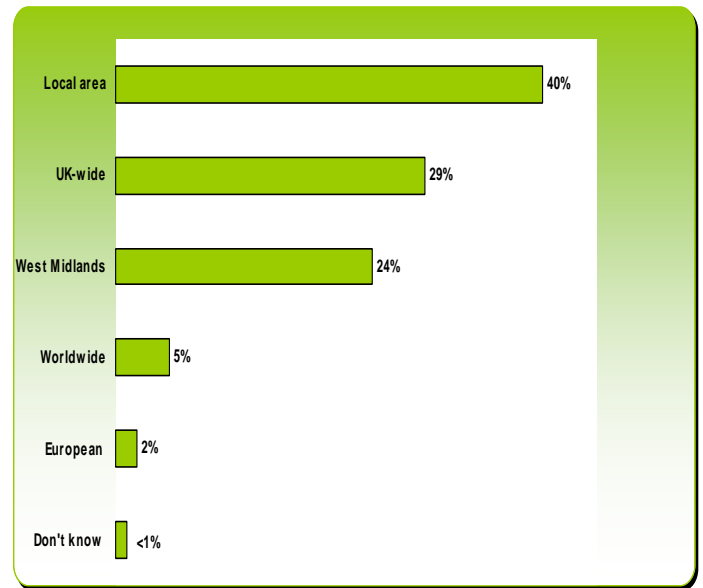


Source: FAME (Bureau van Dijk)

## Market Coverage

- The Dudley Borough Business Survey found that the main markets (the geographical area where the main clients are based) covered by businesses in the area are local.
- A quarter of businesses cover the West Midlands area and almost 30% reported that their market coverage is UK wide.
- Government and wholesale and retail sectors are more likely to cover the local area (62% and 53% respectively compared to 40% of businesses overall).
- Businesses in the finance sector are more likely to have a market coverage of the West Midlands (38% compared to 24% overall).
- Businesses operating in construction and transport are more likely to cover a UK-wide market (43% compared to 29% overall).

### Market Coverage - Businesses in Dudley Borough

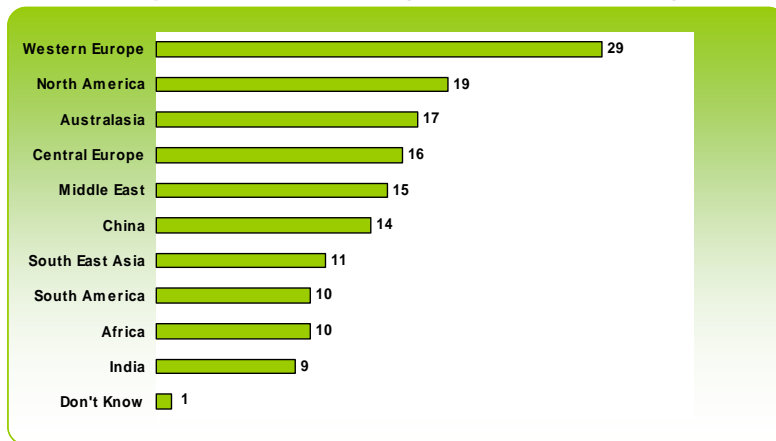


Source: Ipsos MORI, Dudley Borough Business Survey, August 2010

## Exporting Businesses

- According to the Dudley Borough Business Survey, 7% of businesses cover European and worldwide markets. Of these businesses, the majority export their good and services to Western Europe.

### Export Destinations (Absolute Numbers)



Source: Ipsos MORI, Dudley Borough Business Survey, August 2010

- Larger businesses and those operating in the manufacturing sector are more likely to cover broader markets such as UK-wide, European and worldwide. Also, 62% of businesses with 10 or more employees cover these markets compared to 36% of businesses overall covering these markets.
- Around one in six businesses in Dudley Borough (16%) are considering exporting their goods and services in the future. The majority of businesses (83%) report that they do not have any plans to do so.