The establishment death rate exceeded the birth rate only during the recession in 2001.

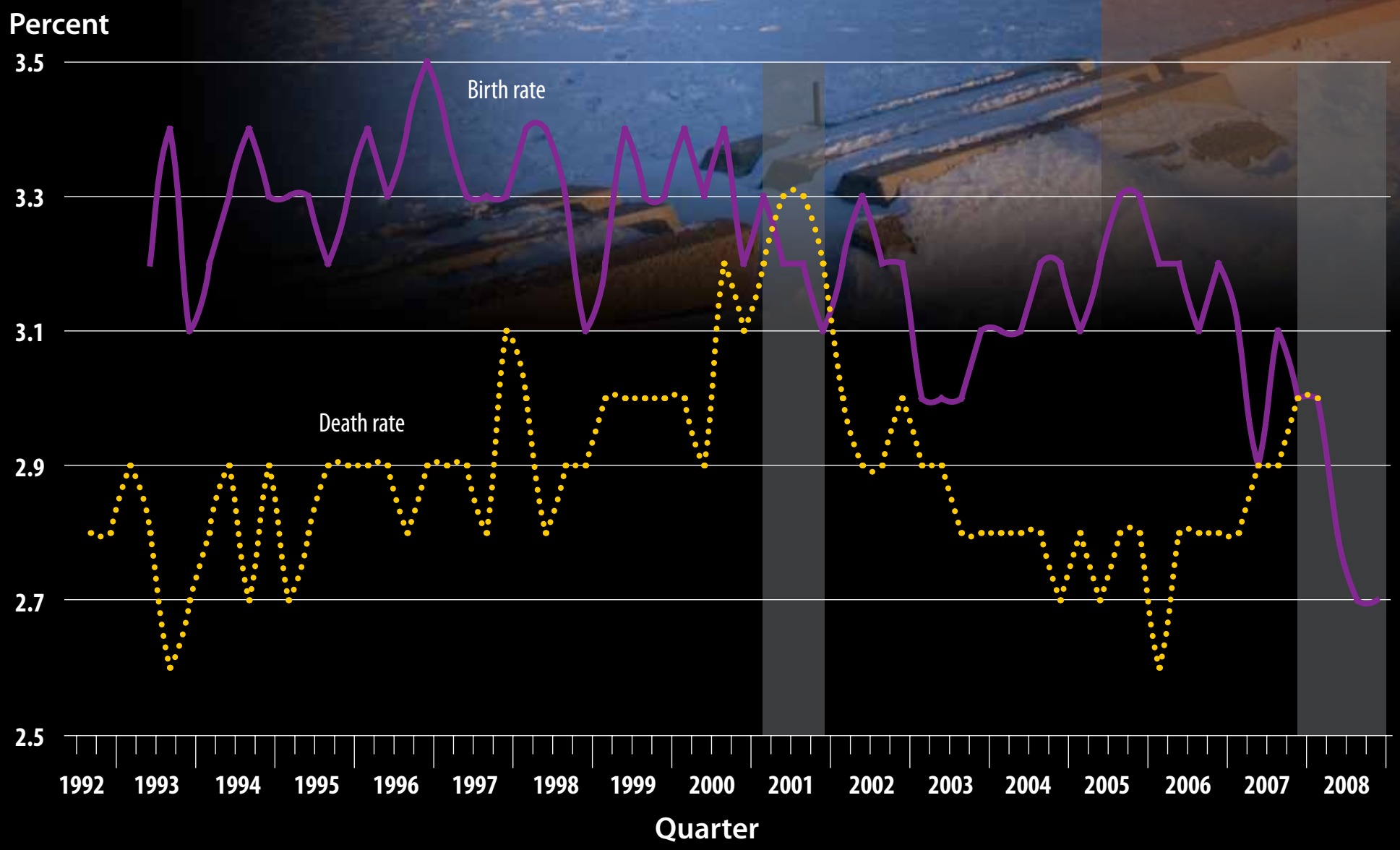
❧ Before the recession in 2008, the establishment death rate matched the birth rate in the second and fourth quarters of 2007.

Births are new businesses that report employment for the first time or that report positive employment after four consecutive quarters of zero employment. *Deaths* are businesses that disappear by reporting no employment for four consecutive quarters.

Data for the establishment death rate lags by three quarters.

BLS

FIGURE 12 Quarterly number of births and deaths as a percent of total establishments



NOTE: *Shaded areas represent recession periods. Data presented are for the third month of each quarter.*