

C 5 New enterprises⁴⁵⁴

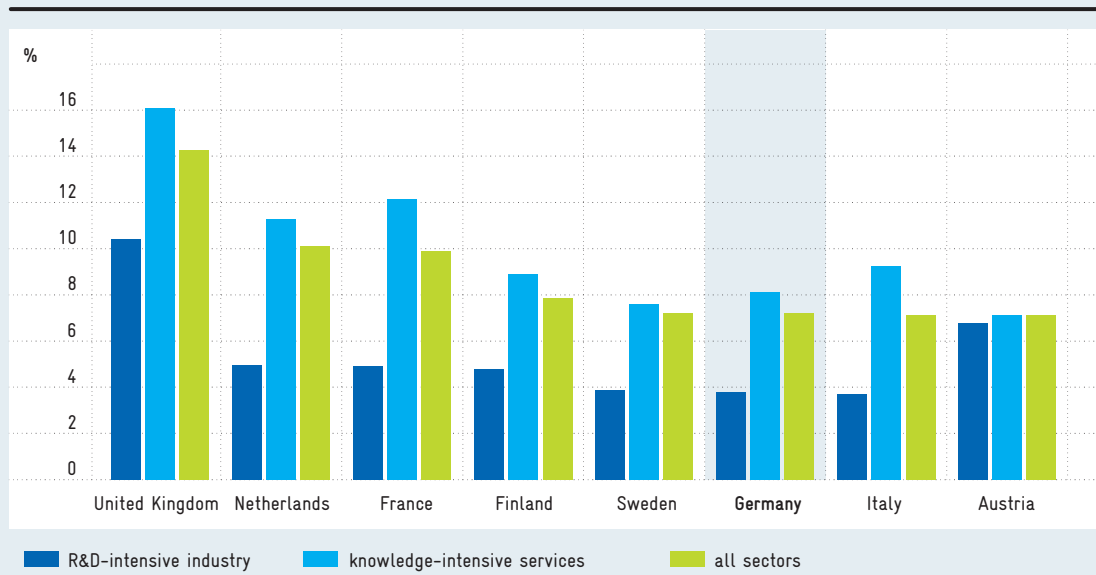
An international comparison of start-up rates – i.e. the number of start-up businesses as a percentage of the total number of companies – is only possible at the European level.⁴⁵⁵ The Business Demography Statistics provided by Eurostat are used for this purpose (C 5-1). They constitute part of the European Union’s Structural Business Statistics (SBS), an official database that is based on evaluations of the individual member countries’ business registers. The figures for Germany are provided by the Federal Statistical Office’s business demography statistics, which are derived from the German business register.⁴⁵⁶ In 2014, the start-up rate in Germany was around 7.2 percent, well below the figure for the UK (14.3 percent), which had the highest rate of the countries examined here. Even in R&D-intensive industries (3.8 percent) and knowledge-intensive services (8.1 percent), Germany’s start-up rates were well below those of the leader UK (10.4 percent and 16.1 percent respectively).

The figures on company dynamics in the knowledge economy shown in charts C 5-2 to C 5-4 are taken from an evaluation of the Mannheim Enterprise Panel (MUP) conducted by the Centre for European Economic Research (ZEW). The MUP is a ZEW panel dataset of businesses located in Germany. It is compiled in cooperation with Creditreform, the largest credit information bureau in Germany. The definition of ‘company’ used by the MUP is restricted exclusively to economically active companies; ‘start-ups’ are only original, newly formed companies.⁴⁵⁷ The start-up rate shown in Figure C 5-2 is calculated on the basis of different data from those used in the Business Demography Statistics, which means that a direct comparison cannot be drawn here.⁴⁵⁸ According to the data provided by the MUP, the start-up rate in the knowledge-based economy in 2015 was 4.7 percent, 2.8 percentage points lower than ten years earlier (C 5-2). The rate has been relatively stable since 2012.

The closure rate in the knowledge-based economy was 4.4 percent in 2015, 0.9 percent lower than in 2014 (C 5-3). In all the sectors of the knowledge economy examined, the current rate was lower than in the previous year. The comparison of the Länder reveals significant differences in start-up rates within Germany (C 5-4). Berlin had the highest start-up rates of all Länder: across all industries (7.2 percent), in R&D-intensive industries (5.6 percent), and in knowledge-intensive services (7.3 percent). Thuringia recorded the lowest start-up rates across all industries (3.4 percent), Saxony-Anhalt in R&D-intensive industries (2.5 percent), and Thuringia and Mecklenburg-West Pomerania in knowledge-intensive services (3.4 percent respectively).

Start-up rates in 2014 by international comparison (as percentage)

Start-up rate: number of start-ups in relation to the number of companies.



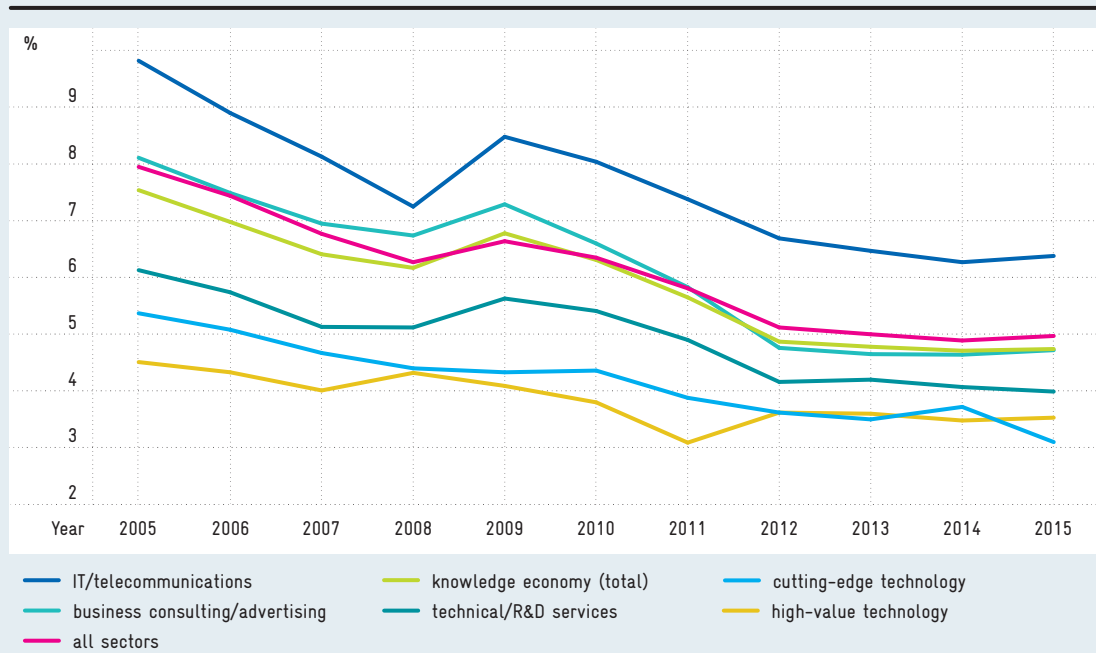
Source: Business Demography Statistics (Eurostat). Calculations by ZEW in Müller et al. (2017b).

Fig. C 5-1

Download data

Start-up rates in Germany's knowledge economy, 2005 to 2015 (as percentage)

Start-up rate: number of start-ups in relation to the number of companies.



All figures are provisional.

Source: Mannheim Enterprise Panel (ZEW). Calculations by ZEW in Müller et al. (2017b).

Fig. C 5-2

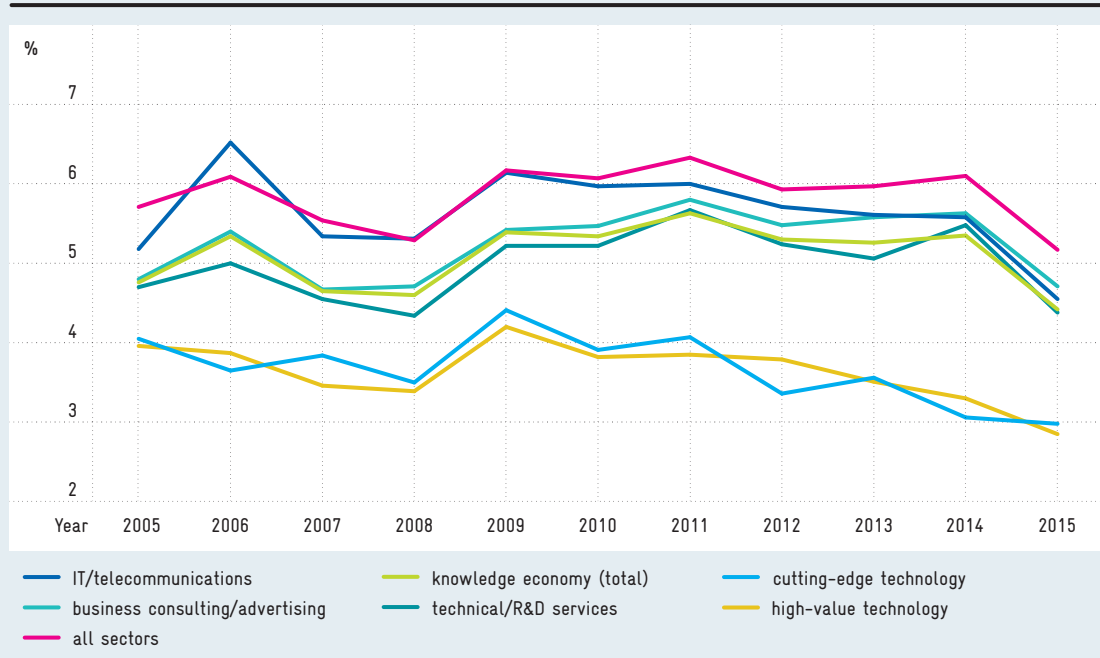
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Fig. C 5-3

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Closure rates in Germany's knowledge economy, 2005 to 2015 (as percentage)

Closure rate: number of companies that close down during the course of a year as a percentage of all companies.



All figures are provisional.

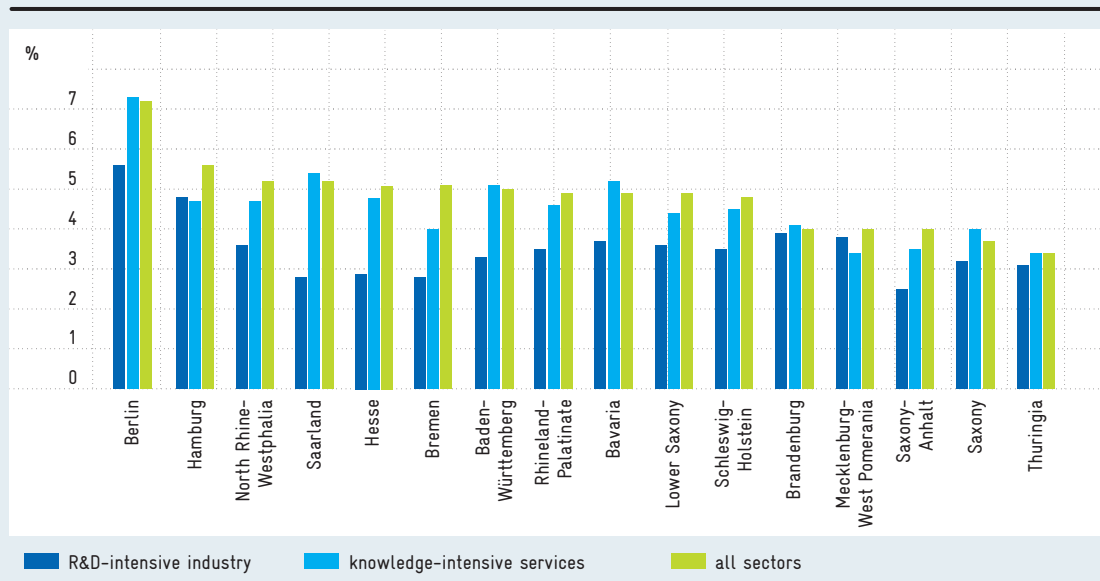
Source: Mannheim Enterprise Panel (ZEW). Calculations by ZEW in Müller et al. (2017b).

Fig. C 5-4

Download data

Start-up rates by Länder, 2013 to 2015 (as percentage)

Start-up rate: number of start-ups in relation to the number of companies.



All figures are provisional.

Source: Mannheim Enterprise Panel (ZEW). Calculations by ZEW in Müller et al. (2017b).