

New Businesses

C 5

An international comparison of start-up rates, i.e., the number of enterprise births in relation to the total number of companies, is only possible at the European level.³³⁹ For this purpose, Eurostat's Business Demography Statistics are used (C 5-1), which represent a subsection of the Structural Business Statistics (SBS) of the European Union. This official database is based on evaluations of the business registers in the individual Member States. The values for Germany come from the Business Demography Statistics of the Federal Statistical Office (Statistisches Bundesamt), which is an evaluation of the business register.³⁴⁰ When comparing the start-up rates of eight selected European countries, Germany ranked sixth in 2018, both in terms of the economy as a whole (6.8 percent) and in knowledge-intensive services (8 percent).³⁴¹ In R&D-intensive industry (3.4 percent), Germany had the lowest start-up rate among the comparative countries under consideration.

The basis for the results on business dynamics in the knowledge economy presented in figures C 5-2 to C 5-4 is an evaluation of the Mannheim Enterprise Panel (Mannheimer Unternehmenspanel, MUP) conducted by the ZEW – Leibniz Centre for European Economic Research (ZEW). The MUP is the ZEW's panel data set on businesses in Germany that has been compiled in cooperation with Creditreform, Germany's largest consumer reporting agency, since 1992.³⁴² The term 'business' used in the MUP includes only economically active companies; only original start-ups are considered to be enterprise births.³⁴³ The enterprise birth rate shown in figure C 5-2 is therefore calculated on a different data basis than in the Business Demography Statistics, so that no direct comparison is possible here.³⁴⁴ This means that the values differ from the values given for Germany in figure C 5-1. After the financial and economic crisis, start-up rates initially fell in all sectors considered.³⁴⁵ Afterwards, the values were relatively constant. Over the entire period, IT/telecommunications showed the highest start-up rates among the sectors considered (2019: 6.2 percent), while high-value technology and cutting-edge technology had the lowest start-up rates (2019: 2.8 percent each).³⁴⁶

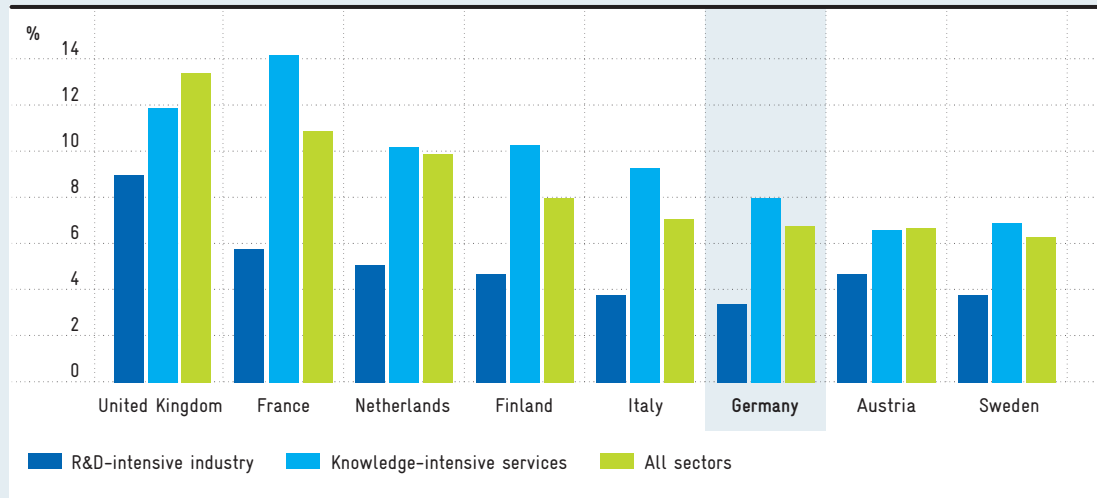
Closure rates showed a declining trend in the second half of the 2010s in all sectors considered (C 5-3).³⁴⁷ In the knowledge-intensive sectors, they fell from 4.2 percent in 2014 to 2.8 percent in 2019.

In a comparison of the Länder, Berlin achieved the highest start-up rates between 2017 and 2019 in R&D-intensive industry (4.6 percent), in knowledge-intensive services (6.1 percent) and across the economy as a whole (6.1 percent) (C 5-4).³⁴⁸ In R&D-intensive industry, Hamburg (4 percent) and Brandenburg (3.8 percent) took second and third place. In knowledge-intensive services, Saarland (5.2 percent) and Bremen (5.1 percent) had the highest start-up rates after Berlin, closely followed by Bavaria (5 percent).

Fig. C 5-1

Start-up rates in selected countries in 2018 in percent

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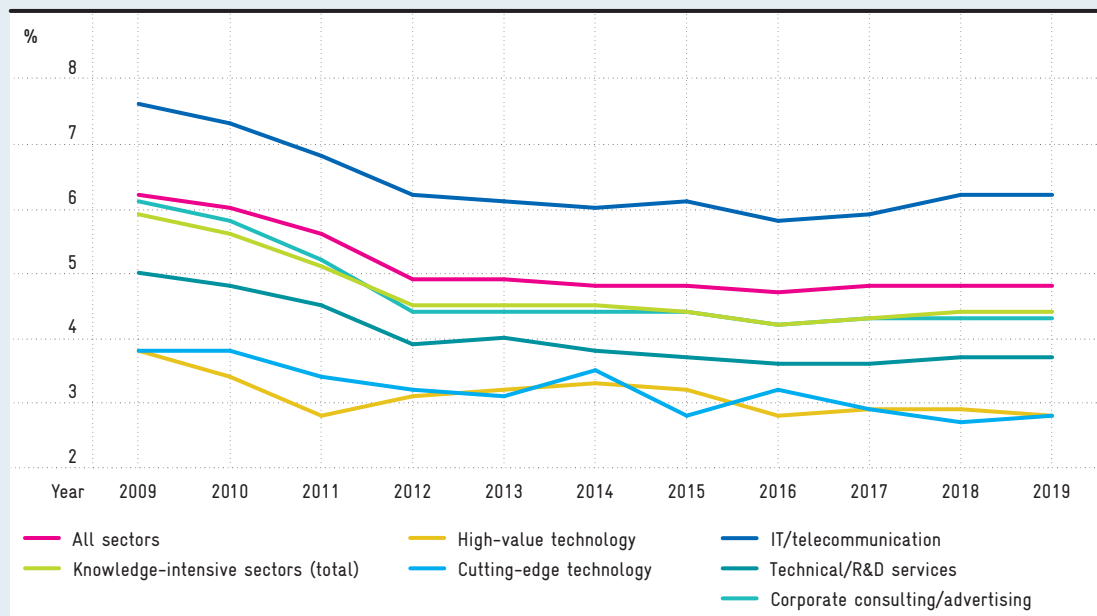


Start-up rate: number of start-up businesses as a percentage of the total number of companies.
Source: Business Demography Statistics (Eurostat). Calculations by ZEW.
in Bersch et al. (2021).
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Fig. C 5-2

Start-up rates in knowledge-intensive sectors in Germany 2009–2019 in percent

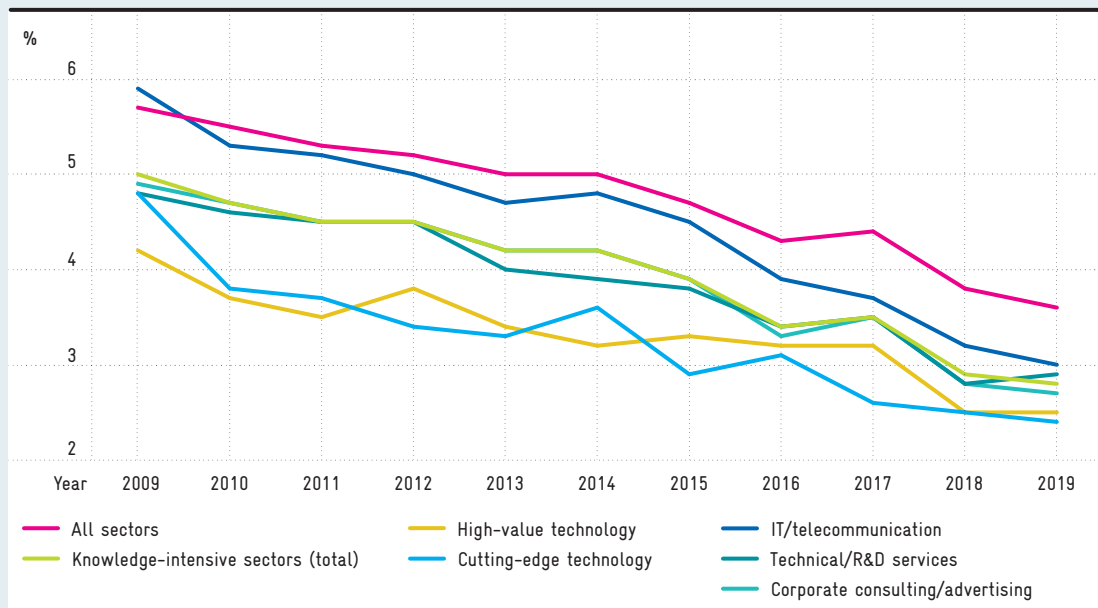
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The knowledge-intensive sectors comprise the R&D-intensive industries (high-value technology and cutting-edge technology) and knowledge-intensive services.
Start-up rate: number of start-up businesses as a percentage of the total number of companies.
All figures are provisional.
Source: Mannheim Enterprise Panel. Calculations by ZEW in Bersch et al. (2021).
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Closure rates in knowledge-intensive sectors in Germany 2009–2019 in percent

Fig. C 5-3



Download data

The knowledge-intensive sectors comprise the R&D-intensive industries (high-value technology and cutting-edge technology) and knowledge-intensive services.

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

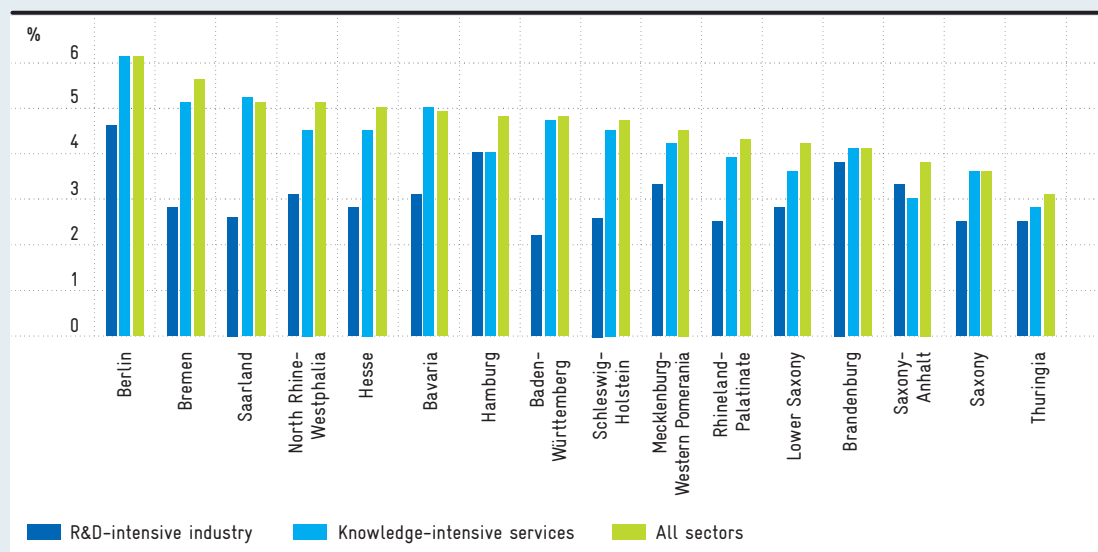
All figures are provisional.

Source: Mannheim Enterprise Panel. Calculations by ZEW in Bersch et al. (2021).

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Start-up rates by Länder 2017–2019 in percent

Fig. C 5-4



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Start-up rate: number of start-up businesses as a percentage of the total number of companies.

All figures are provisional.

Source: Mannheim Enterprise Panel. Calculations by ZEW in Bersch et al. (2021).

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