

## North Carolina

North Carolina's small businesses are key to the state's well-being. They account for a significant share of the state's economic production and hiring. This profile from the Office of Advocacy uses the latest available data to illustrate the status and contributions of North Carolina small businesses. (Note that a small business is defined as one with fewer than 500 employees.)

- Small businesses totaled 802,460 in the state in 2008. Of these, 172,732 were employers, and they accounted for 47.9% of private-sector jobs in the state (Table 1). Small firms made up 98.0% of the state's employers.
- North Carolina's real gross state product increased by 0.1% and private-sector employment decreased by 6.6% in 2009. By comparison, real GDP in the United States grew 0.7% and private-sector employment declined by 5.5%.
- Business ownership is becoming more inclusive in the state. The number of both women and minority business owners has grown. In particular, minority-owned businesses numbered 131,826 in 2007, a 66.2% increase over 2002.
- The state's small business employment has undergone major shifts in recent years (Table 2).
- The state's businesses showed signs of stability and improvement in the fourth quarter of 2009 compared to the first quarter (Table 3).

### For Further Information

- Data on all states and territories is available at [www.sba.gov/advocacy/848](http://www.sba.gov/advocacy/848).
- For other small business data and analysis, visit [www.sba.gov/advocacy/847](http://www.sba.gov/advocacy/847), call (202) 205-6533, or email [advocacy@sba.gov](mailto:advocacy@sba.gov).
- Visit <http://web.sba.gov/list> to subscribe to Advocacy's Listservs.

### North Carolina Small Business Facts

	2008*	2007	2000
<b>Number of Businesses</b>			
Small employers (<500 employees)	172,732	176,316	160,311
Large employers (500+ employees)	3,464	3,457	3,332
Nonemployers	629,728	644,873	462,182
	<b>Level in 2007*</b>	<b>% Share in 2007</b>	<b>% Change 2002-2007</b>
<b>Business Owner Demographics</b>			
Male-owned	421,534	52.7	11.7
Woman-owned	225,503	28.2	29.7
Equally male/female-owned	127,225	15.9	77.8
African American-owned	83,880	10.5	60.9
Asian-owned	20,280	2.5	48.1
Hispanic-owned	21,297	2.7	135.5
Native American/Alaskan-owned	8,047	1.0	34.8
Hawaiian/Pacific Islander-owned	451	0.1	136.1
Veteran-owned	84,448	10.6	n.a.
	<b>Level in 2009*</b>	<b>% Change from 2008 2000</b>	
<b>Workforce (Thousands) /Unemployment (%)</b>			
Private-sector employment	3,137	-6.6	-3.8
Government employment	686	0.2	13.8
Self-employed (incorp. & uninc.)	432	-8.6	1.2
Female self-employment	147	-5.4	3.5
Male self-employment	286	-10.1	0.1
Minority self-employment	76	-14.1	23.6
Veteran self-employment	45	-14.6	-29.8
Unemployment rate (%)	10.6	4.4†	6.9†
<b>Business Turnover</b>			
Quarterly establishment openings	41,631	-3.2	13.6
Quarterly establishment closings	46,609	0.7	28.6
Business bankruptcies	1,367	46.8	207.2
	<b>2009*</b>	<b>2008</b>	<b>2000</b>
<b>Income and Finance</b>			
Proprietors' income (\$billion)	19.7	21.2	15.8
Number of bank branches	2,790	2,746	2,448
No. of bus. loans under \$100,000‡	188,623	246,607	139,921
Total value of business loans under \$100,000 (\$million)‡	2,330	2,999	2,081

Source: U.S. Dept. of Commerce, Census Bureau, Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Admin. Office of the U.S. Courts; Federal Deposit Insurance Corporation; and U.S. Small Business Admin., Office of Advocacy.  
\* Latest available data. †Percentage point change. ‡Data are for CRA loans.

**Table 1: Firms and Employment in North Carolina by Industry and Firm Size, 2008  
(Nonfarm, Thousands)**

Industry	Nonemployer Firms	Employer Firms			Employment		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	629.7	176.2	152.3	172.7	3,585.1	635.5	1,722.6
Forestry, etc. and agriculture support	7.5	0.8	0.8	0.8	4.6	3.2	4.4
Mining	0.2	0.1	0.1	0.1	3.4	0.4	1.2
Utilities	0.6	0.1	0.1	0.1	20.9	0.4	3.4
Construction	92.4	27.0	24.6	26.8	239.6	98.8	206.8
Manufacturing	9.4	8.7	5.7	8.0	502.9	31.5	180.8
Wholesale trade	10.8	9.8	7.6	9.2	180.6	31.7	98.4
Retail trade	55.2	21.9	19.3	21.4	476.8	84.1	177.8
Transportation and warehousing	25.7	4.9	4.0	4.6	116.7	13.9	39.3
Information	7.6	1.8	1.3	1.6	78.0	5.2	18.5
Finance and insurance	19.8	6.6	5.8	6.3	174.7	18.3	43.5
Real estate and rental and leasing	69.1	8.3	7.7	8.1	53.4	18.5	36.4
Professional, scientific, and technical svcs.	75.7	20.8	19.0	20.4	190.4	61.6	118.1
Management of companies and enterprises	--	1.0	0.1	0.6	75.1	0.4	10.7
Admin., support, waste mgt., remed. svcs.	62.6	10.1	8.7	9.8	281.9	34.0	106.8
Educational services	16.0	2.2	1.7	2.1	82.7	7.1	35.3
Health care and social assistance	43.1	17.1	13.9	16.8	532.1	76.5	260.5
Arts, entertainment, and recreation	28.5	3.2	2.6	3.1	57.6	10.6	41.2
Accommodation and food services	7.6	13.3	10.0	13.0	363.1	61.8	205.2
Other services (except public admin.)	98.0	20.7	19.3	20.6	150.3	77.4	133.7
Unclassified	--	0.3	0.3	0.3	0.5	D	0.5

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See [www.sba.gov/advocacy/849/12162](http://www.sba.gov/advocacy/849/12162) for data from other years, and for starts, closures, job creation and destruction by industry and by size category.)

**Table 2: Net Job Change by Firm Size, 2004–2007 (Nonfarm)**

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2004 - 2005	48,872	24,990	4,830	188	-10,019	6,778	26,767	22,105
2005 - 2006	114,164	31,414	9,942	10,822	17,385	13,194	82,757	31,407
2006 - 2007	46,104	29,336	4,763	1,615	4,276	-9,845	15,959	30,145

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see [www.sba.gov/advocacy/849/12162](http://www.sba.gov/advocacy/849/12162).)

**Table 3: Establishment and Employment Turnover by Quarter, 2009 (Nonfarm, Thousands)**

	Establishments				Employment Change Due To:			
	Openings	Expansions	Contractions	Closings	Openings	Expansions	Contractions	Closings
Quarter 1	10.1	36.4	52.6	11.8	41.0	132.7	216.0	43.8
Quarter 2	9.6	39.6	47.8	12.4	39.2	149.5	190.5	46.1
Quarter 3	9.7	38.1	45.5	11.6	36.7	146.5	169.5	42.9
Quarter 4	12.2	39.8	46.0	10.8	43.9	150.1	172.6	39.0

Source: U.S. Dept. of Labor, Bureau of Labor Statistics, Business Employment Dynamics. (For more detailed data see [www.bls.gov/bdm/home.htm](http://www.bls.gov/bdm/home.htm).)

Note: These figures contain all firm sizes; Census data from 2007 show that 86 percent of establishment births and deaths were in firms with fewer than 500 employees.