

2021 Small Business Profile

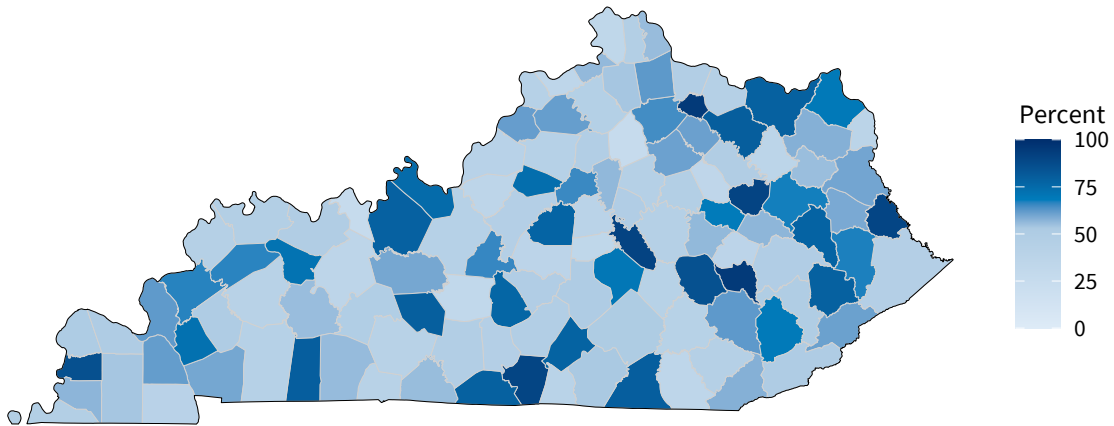
U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF ADVOCACY

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Kentucky

360,756 small businesses
99.3 percent of Kentucky businesses

716,731 small business employees
43.6 percent of Kentucky employees



Share of employees working at small businesses by county

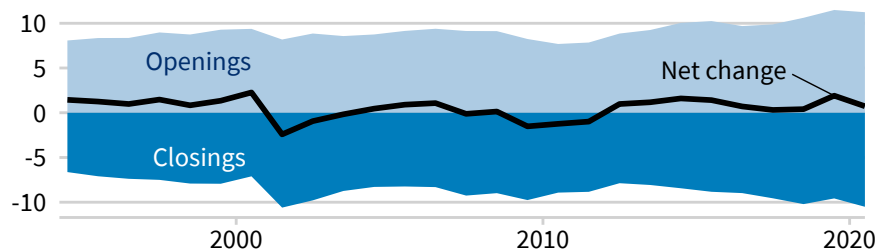
Source of data: [Statistics of US Businesses](#) (Census)

Business dynamics

Establishments

Between March 2019 and March 2020, 11,238 Kentucky establishments opened and 10,509 closed, for a net increase of 729. Employment expanded at 23,248 and contracted at 24,683. Small businesses accounted for 11,104 openings and 10,340 closings.

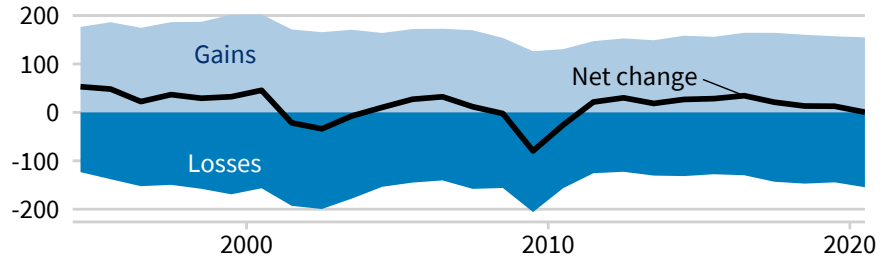
Thousands of establishments



Employment

Opening and expanding Kentucky establishments added 154,886 jobs, while closing and contracting establishments lost 154,578, for a net increase of 308 jobs. Small businesses gained 131,778 jobs and lost 129,920, for a net increase of 1,858 jobs.

Thousands of jobs



Counts include temporary closures and reopenings

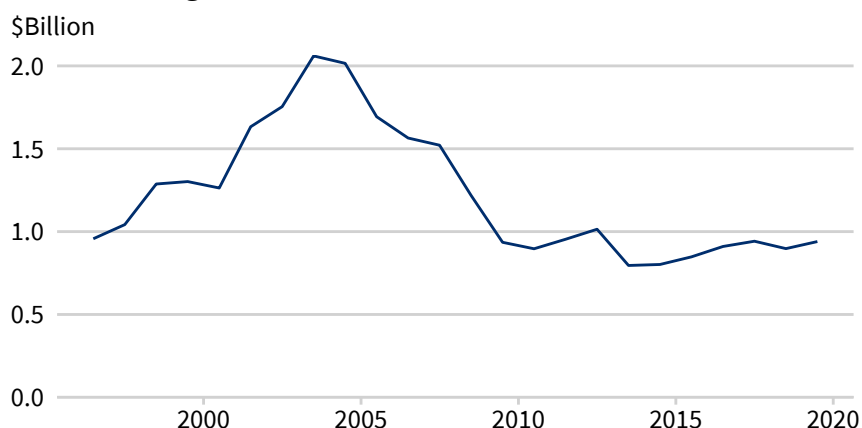
Source: [Business Employment Dynamics](#) (BLS)

Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2019, reporting banks issued \$940.0 million in loans to Kentucky businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$846.9 million, and total reported new lending to businesses through loans of \$1 million or less was \$2.6 billion.

Source: [CRA Aggregate Data](#) (FFIEC)

New lending to businesses with revenues under \$1 million



Small business count by size and industry

Industry	No employees	1–19 employees	20–499 employees	All small businesses
Other Services (except Public Administration)	39,897	7,980	570	48,447
Construction	39,918	6,565	725	47,208
Professional, Scientific, and Technical Services	31,413	6,668	580	38,661
Retail Trade	28,926	7,672	935	37,533
Administrative, Support, and Waste Management	32,909	2,812	454	36,175
Real Estate and Rental and Leasing	30,654	2,785	190	33,629
Health Care and Social Assistance	20,106	6,585	1,125	27,816
Transportation and Warehousing	21,343	1,787	324	23,454
Arts, Entertainment, and Recreation	14,137	1,016	204	15,357
Finance and Insurance	7,442	2,533	277	10,252
Accommodation and Food Services	4,145	3,971	1,656	9,772
Educational Services	7,782	614	154	8,550
Manufacturing	4,031	1,910	897	6,838
Wholesale Trade	3,935	2,148	666	6,749
Agriculture, Forestry, Fishing and Hunting	4,927	211	11	5,149
Information	2,877	544	141	3,562
Mining, Quarrying, and Oil and Gas Extraction	1,210	194	74	1,478
Management of Companies and Enterprises	*	37	197	234
Utilities	162	42	28	232
Industries not classified	*	156	0	156
Total	295,814	56,176	8,766	360,756

* Not reported by the Census Bureau

Sources: [Nonemployer Statistics](#), 2018 (Census); [Statistics of US Businesses](#), 2018 (Census)



Small business exports

A total of 4,688 identified firms exported goods worth \$31.5 billion from Kentucky in 2019. Of those exporters, 3,686—or 78.6 percent—were small. Small firms exported goods worth \$3.5 billion, making up 11.1 percent of exports by identified firms.

Source: [A profile of US importing and exporting companies, 2018–2019](#) (Census)

Business ownership share by demographic group

Women



Women made up 47.9 percent of workers and owned 40.4 percent of businesses.

Veterans



Veterans made up 5.2 percent of workers and owned 7.7 percent of businesses.

Hispanics



Hispanics made up 3.6 percent of workers and owned 2.6 percent of businesses.

Racial minorities



Racial minorities made up 11.5 percent of workers and owned 7.7 percent of businesses.

Ownership shares include equal and majority ownership

Sources of data: [American Community Survey](#), 2018 (Census and IPUMS); [Annual Business Survey](#), 2018 (Census); [Nonemployer Statistics by Demographics](#), 2017 (Census)

Business count by owner demographic group

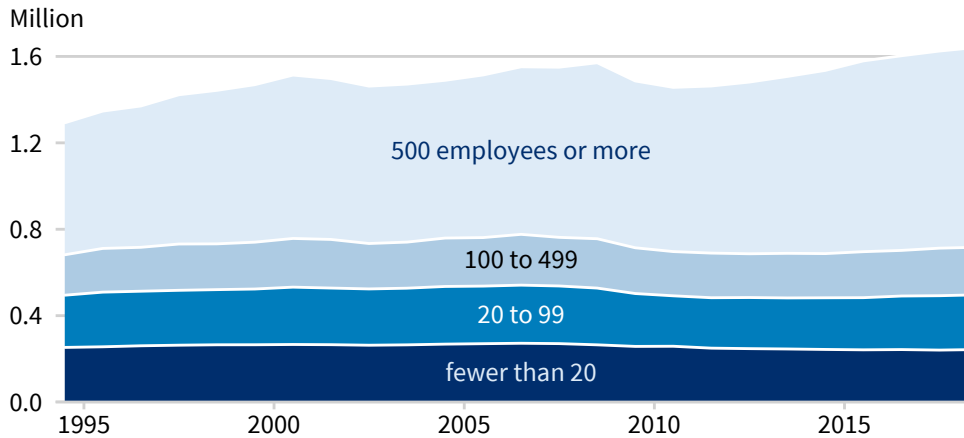
Ownership	Without employees	With employees	Total
Female	113,000	10,312	123,312
Male	166,000	40,019	206,019
Owned equally by both groups	7,900	8,514	16,414
Veteran	19,500	*	*
Not veteran	265,000	53,275	318,275
Owned equally by both groups	1,600	1,518	3,118
Hispanic	7,800	899	8,699
Not Hispanic	279,000	57,719	336,719
Owned equally by both groups	150	*	*
American Indian and Alaska Native	350	*	*
Asian	6,100	2,799	8,899
Black or African American	15,500	659	16,159
Native Hawaiian and Other Pacific Islander	100	*	*
White	264,000	55,303	319,303
Hispanic or racial minority	29,000	4,440	33,440
White and not Hispanic	257,000	53,741	310,741
Owned equally by both groups	400	*	*

* Not reported by the Census Bureau; counts include only businesses classifiable by owner demographic group

Sources: [Annual Business Survey](#), 2018 (Census); [Nonemployer Statistics by Demographics](#), 2017 (Census)

Total Kentucky employment by business size

Source of data: [Statistics of US Businesses](#) (Census)



Small business employment and payroll by industry

Industry	Employers		Employment		Payroll (\$1,000s)	
	Small	%	Small	%	Small	%
Retail Trade	8,607	95.7	74,965	34.6	2,309,587	40.6
Other Services (except Public Administration)	8,550	98.7	53,074	81.8	1,445,535	78.1
Health Care and Social Assistance	7,710	97.4	105,741	40.7	4,197,346	33.3
Construction	7,290	99.0	64,390	88.5	3,271,830	84.9
Professional, Scientific, and Technical Services	7,248	97.0	49,872	66.6	2,679,749	64.8
Accommodation and Food Services	5,627	96.2	107,377	59.0	1,651,404	57.8
Administrative, Support, and Waste Management	3,266	93.1	37,575	30.6	1,208,225	35.2
Real Estate and Rental and Leasing	2,975	96.6	12,860	70.4	512,315	65.9
Wholesale Trade	2,814	87.8	35,211	48.8	1,879,371	43.9
Finance and Insurance	2,810	92.3	26,077	34.9	1,354,905	24.9
Manufacturing	2,807	87.1	74,952	30.4	3,527,524	26.3
Transportation and Warehousing	2,111	89.4	22,089	22.6	964,699	17.6
Arts, Entertainment, and Recreation	1,220	97.8	14,954	79.4	353,392	80.2
Educational Services	768	95.0	14,689	49.7	430,874	51.2
Information	685	86.2	8,818	28.4	412,054	27.3
Mining, Quarrying, and Oil and Gas Extraction	268	93.4	5,276	54.5	321,998	48.7
Management of Companies and Enterprises	234	52.9	4,605	11.7	320,219	9.7
Agriculture, Forestry, Fishing and Hunting	222	98.7	1,379	95.2	52,880	95.7
Industries not classified	156	100.0	174	100.0	3,416	100.0
Utilities	70	80.5	2,653	30.9	199,510	25.2
Total	64,942	96.2	716,731	43.6	27,096,833	37.9

Source: [Statistics of US Businesses](#), 2018 (Census)

About this profile

Small businesses are defined here as firms with fewer than 500 employees. Figures and statistics may incorporate approximations because of missing or otherwise problematic data. Data analyzed here predate the COVID-19 pandemic, the impacts of which have differed by industry, geography, and demographic group. More information about [the impacts of the pandemic](#), electronic versions of these and other [geographic profiles](#), and additional resources are available at <http://advocacy.sba.gov>.