

# 2021 Small Business Profile

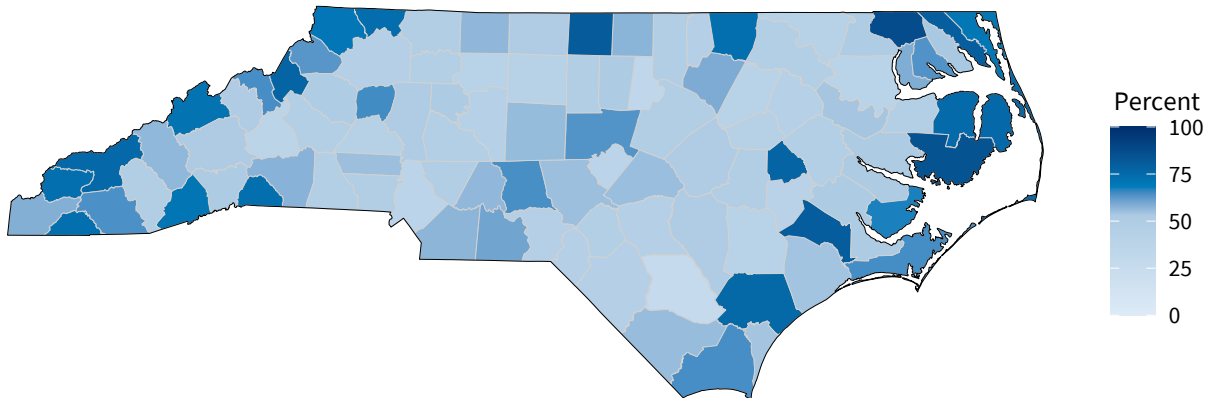
U.S. SMALL BUSINESS ADMINISTRATION  
**OFFICE OF ADVOCACY**

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## North Carolina

**964,280** small businesses  
**99.6 percent** of North Carolina businesses

**1.7 million** small business employees  
**45.1 percent** of North Carolina employees



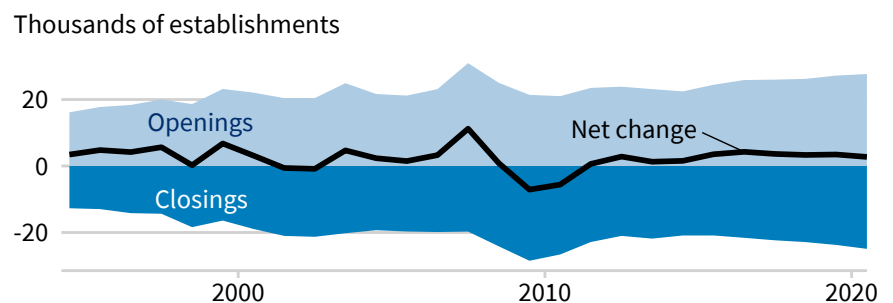
### Share of employees working at small businesses by county

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

## Business dynamics

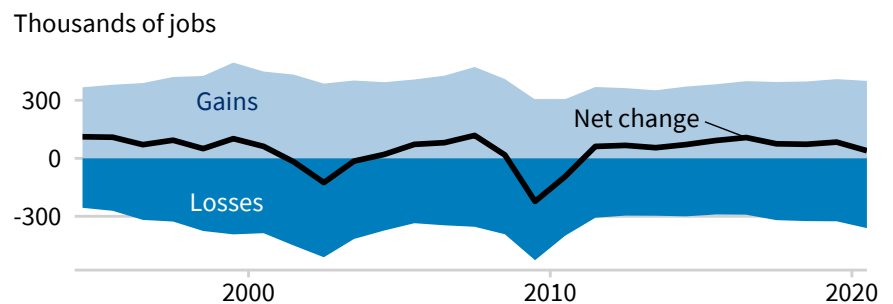
### Establishments

Between March 2019 and March 2020, 27,657 North Carolina establishments opened and 24,921 closed, for a net increase of 2,736. Employment expanded at 59,208 and contracted at 57,412. Small businesses accounted for 26,727 openings and 23,994 closings.



### Employment

Opening and expanding North Carolina establishments added 400,590 jobs, while closing and contracting establishments lost 361,208, for a net increase of 39,382 jobs. Small businesses contributed a net increase of 38,572 jobs, or 97.9 percent of that total.



Counts include temporary closures and reopenings

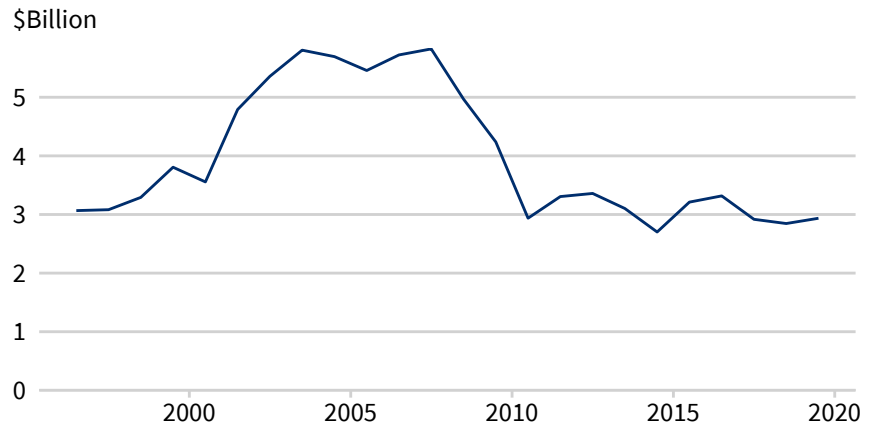
Source: [Business Employment Dynamics](#) (BLS)

## Small business loans





The Community Reinvestment Act requires large banks to report new small business loans. In 2019, reporting banks issued \$2.9 billion in loans to North Carolina businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$2.8 billion, and total reported new lending to businesses through loans of \$1 million or less was \$7.6 billion.

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

### New lending to businesses with revenues under \$1 million



## Small business count by size and industry

| Industry   | <div>     </div> |                |                  |                      |
|--|---|----------------|------------------|----------------------|
|  | No employees  | 1–19 employees | 20–499 employees | All small businesses |
| Other Services (except Public Administration)    | 103,116   | 20,928         | 1,467            | 125,511              |
| Professional, Scientific, and Technical Services | 98,387  | 20,838         | 1,601            | 120,826              |
| Construction                                     | 93,580  | 21,333         | 1,950            | 116,863              |
| Administrative, Support, and Waste Management    | 90,488  | 9,752          | 1,346            | 101,586              |
| Real Estate and Rental and Leasing               | 85,519  | 8,999          | 450              | 94,968               |
| Retail Trade                                     | 65,273  | 17,757         | 1,796            | 84,826               |
| Health Care and Social Assistance                | 55,582  | 14,154         | 2,869            | 72,605               |
| Transportation and Warehousing                   | 55,370  | 4,551          | 579              | 60,500               |
| Arts, Entertainment, and Recreation              | 42,445  | 3,122          | 504              | 46,071               |
| Educational Services                             | 25,723  | 2,197          | 574              | 28,494               |
| Accommodation and Food Services                  | 12,815  | 11,278         | 4,197            | 28,290               |
| Finance and Insurance                            | 20,467  | 5,825          | 453              | 26,745               |
| Wholesale Trade                                  | 10,956  | 6,636          | 1,548            | 19,140               |
| Manufacturing                                    | 10,448  | 5,047          | 2,007            | 17,502               |
| Information                                      | 8,927   | 1,515          | 300              | 10,742               |
| Agriculture, Forestry, Fishing and Hunting       | 8,154   | 774            | 39               | 8,967                |
| Utilities  | 436   | 92             | 46               | 574                  |
| Management of Companies and Enterprises          | *   | 114            | 432              | 546                  |
| Industries not classified                        | *   | 327            | 2                | 329                  |
| Mining, Quarrying, and Oil and Gas Extraction    | 197   | 60             | 19               | 276                  |
| Total  | 787,883   | 155,165        | 21,232           | 964,280              |

\* Not reported by the Census Bureau

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



### Small business exports

A total of 11,015 identified firms exported goods worth \$30.6 billion from North Carolina in 2019. Of those exporters, 9,567—or 86.9 percent—were small. Small firms exported goods worth \$6.1 billion, making up 19.9 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 44.2 percent of businesses.

### Veterans



Veterans made up 6.3 percent of workers and owned 8.4 percent of businesses.

### Hispanics



Hispanics made up 9.0 percent of workers and owned 6.2 percent of businesses.

### Racial minorities



Racial minorities made up 29.1 percent of workers and owned 19.3 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

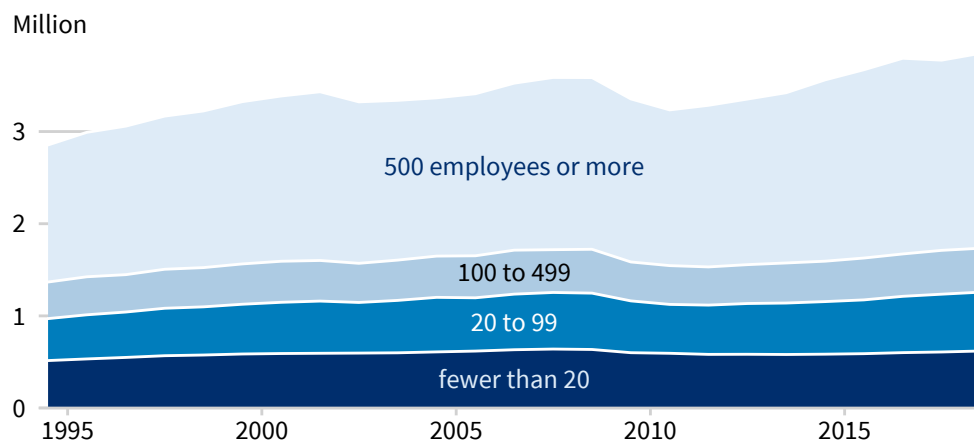
| Ownership                                  | Without employees | With employees | Total   |
|--|-------------------|----------------|---------|
| Female                                     | 325,000           | 33,783         | 358,783 |
| Male                                       | 404,000           | 102,417        | 506,417 |
| Owned equally by both groups               | 19,000            | 22,983         | 41,983  |
| Veteran                                    | 56,000            | 11,099         | 67,099  |
| Not veteran                                | 687,000           | 143,121        | 830,121 |
| Owned equally by both groups               | 3,900             | 4,960          | 8,860   |
| Hispanic                                   | 50,500            | 4,638          | 55,138  |
| Not Hispanic                               | 696,000           | 154,035        | 850,035 |
| Owned equally by both groups               | 800               | 511            | 1,311   |
| American Indian and Alaska Native          | 3,400             | *              | *       |
| Asian                                      | 28,000            | 9,511          | 37,511  |
| Black or African American                  | 125,000           | 6,437          | 131,437 |
| Native Hawaiian and Other Pacific Islander | 450               | *              | *       |
| White                                      | 589,000           | 142,150        | 731,150 |
| Hispanic or racial minority                | 200,000           | 21,507         | 221,507 |
| White and not Hispanic                     | 546,000           | 136,041        | 682,041 |
| Owned equally by both groups               | 1,600             | 1,637          | 3,237   |

\* 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 North Carolina employment by business size

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



North Carolina small business employment grew by 26.8 percent between 1994 and 2018, which exceeded the national small business employment growth rate.

## Small business employment and payroll by industry

| Industry   | Employers |       | Employment |       | Payroll (\$1,000s) |       |
|--|-----------|-------|------------|-------|--------------------|-------|
|  | Small     | %     | Small      | %     | Small              | %     |
| Construction                                     | 23,283    | 99.3  | 172,158    | 82.7  | 8,507,747          | 79.0  |
| Professional, Scientific, and Technical Services | 22,439    | 97.7  | 127,462    | 56.1  | 8,421,496          | 47.2  |
| Other Services (except Public Administration)    | 22,395    | 99.3  | 143,939    | 87.1  | 3,905,789          | 81.0  |
| Retail Trade                                     | 19,553    | 97.6  | 156,000    | 31.5  | 4,946,735          | 37.8  |
| Health Care and Social Assistance                | 17,023    | 98.3  | 254,032    | 41.9  | 10,124,038         | 34.5  |
| Accommodation and Food Services                  | 15,475    | 98.1  | 267,836    | 59.7  | 4,466,511          | 59.4  |
| Administrative, Support, and Waste Management    | 11,098    | 96.5  | 114,511    | 39.0  | 4,037,839          | 40.3  |
| Real Estate and Rental and Leasing               | 9,449     | 98.1  | 38,601     | 67.6  | 1,806,481          | 65.2  |
| Wholesale Trade                                  | 8,184     | 92.6  | 91,737     | 47.7  | 5,427,061          | 39.0  |
| Manufacturing                                    | 7,054     | 91.6  | 154,501    | 34.8  | 6,854,220          | 29.4  |
| Finance and Insurance                            | 6,278     | 94.6  | 37,452     | 19.9  | 2,596,387          | 13.8  |
| Transportation and Warehousing                   | 5,130     | 94.2  | 39,271     | 30.5  | 1,592,554          | 26.1  |
| Arts, Entertainment, and Recreation              | 3,626     | 98.1  | 42,953     | 61.6  | 1,283,469          | 60.1  |
| Educational Services                             | 2,771     | 97.4  | 49,514     | 47.6  | 1,481,303          | 34.6  |
| Information                                      | 1,815     | 89.6  | 22,871     | 24.8  | 1,667,824          | 23.3  |
| Agriculture, Forestry, Fishing and Hunting       | 813       | 98.7  | 4,475      | 92.7  | 177,814            | 89.6  |
| Management of Companies and Enterprises          | 546       | 54.7  | 11,230     | 11.3  | 750,667            | 7.7   |
| Industries not classified                        | 329       | 100.0 | 462        | 100.0 | 11,856             | 100.0 |
| Utilities  | 138       | 88.5  | 3,818      | 18.3  | 320,734            | 15.2  |
| Mining, Quarrying, and Oil and Gas Extraction    | 79        | 84.0  | 1,312      | 43.0  | 104,670            | 49.7  |
| Total  | 176,397   | 97.9  | 1,734,135  | 45.1  | 68,485,195         | 37.2  |

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>.