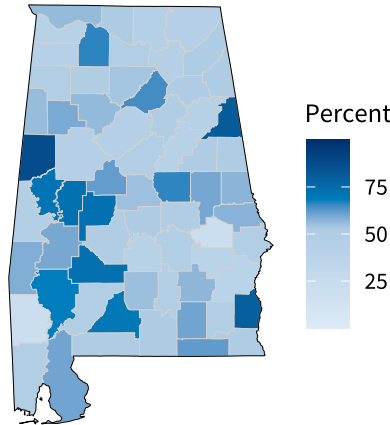


Alabama

417,092 small businesses
99.4 percent of Alabama businesses

822,668 small business employees
46.8 percent of Alabama employees



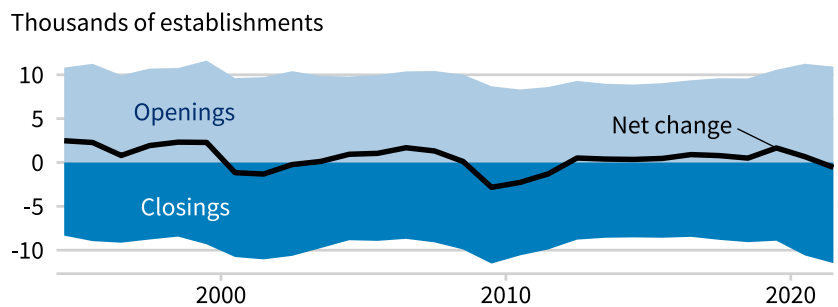
Share of employees working at small businesses by county

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

Business dynamics

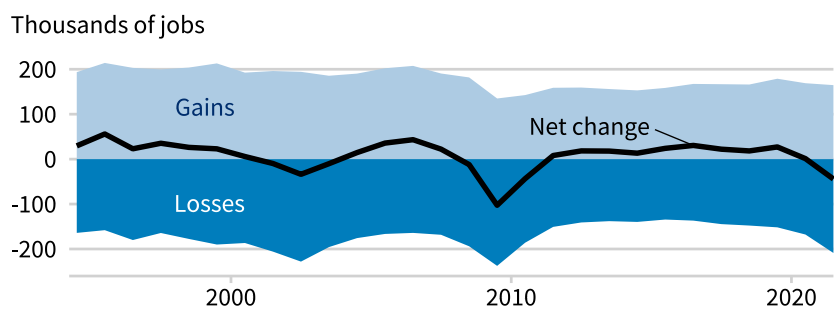
Establishments

Between March 2020 and March 2021, 10,923 Alabama establishments opened and 11,477 closed, for a net decrease of 554. Employment expanded at 24,833 establishments and contracted at 30,245. Small businesses accounted for 9,949 openings and 10,331 closings.



Employment

Opening and expanding Alabama establishments added 164,695 jobs, while closing and contracting establishments lost 208,886, for a net decrease of 44,191 jobs. Small businesses gained 114,107 jobs and lost 133,728, for a net decrease of 19,621 jobs.



Counts include temporary closures and reopenings

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

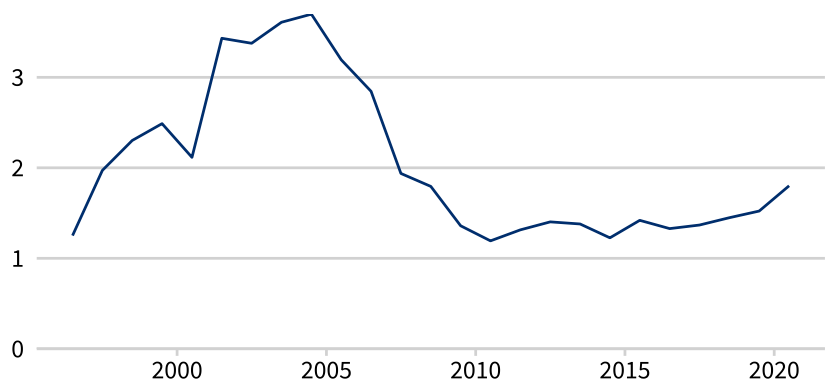
Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2020, reporting banks issued \$1.8 billion in loans to Alabama businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$1.7 billion. Total reported new lending to businesses through loans of \$1 million or less was \$6.2 billion.

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

New lending to businesses with revenues under \$1 million

\$Billion



Small business count by size and industry

Industry	No employees	1–19 employees	20–499 employees	All small businesses
Other Services (except Public Administration)	49,424	9,335	740	59,499
Construction	43,491	6,660	897	51,048
Administrative, Support, and Waste Management	47,239	3,039	531	50,809
Professional, Scientific, and Technical Services	36,783	7,320	759	44,862
Retail Trade	30,243	9,362	998	40,603
Real Estate and Rental and Leasing	34,548	2,993	230	37,771
Health Care and Social Assistance	24,446	6,349	1,306	32,101
Transportation and Warehousing	20,975	1,991	390	23,356
Arts, Entertainment, and Recreation	14,798	934	177	15,909
Accommodation and Food Services	6,654	4,545	1,591	12,790
Educational Services	10,538	621	190	11,349
Finance and Insurance	8,366	2,572	304	11,242
Wholesale Trade	4,787	2,587	760	8,134
Manufacturing	4,820	2,257	1,013	8,090
Agriculture, Forestry, Fishing and Hunting	4,355	710	56	5,121
Information	3,145	559	127	3,831
Mining, Quarrying, and Oil and Gas Extraction	321	81	44	446
Utilities	162	63	29	254
Management of Companies and Enterprises	*	52	202	254
Industries not classified	*	128	1	129
Total	345,095	62,098	9,899	417,092

* Not reported by the Census Bureau

Sources: [Nonemployer Statistics](#), 2019 (Census); [Statistics of US Businesses](#), 2019 (Census)



Small business exports

A total of 4,105 identified firms exported goods worth \$16.5 billion from Alabama in 2020. Of those exporters, 3,277—or 79.8 percent—were small. Exports by small firms reached \$2.4 billion, making up 14.7 percent of exports by identified firms.

Source: [A profile of US importing and exporting companies, 2019-2020](#) (Census)

Business ownership share by demographic group

Women



Women made up 47.7 percent of workers and owned 43.5 percent of businesses.

Veterans



Veterans made up 6.4 percent of workers and owned 9.0 percent of businesses.

Hispanics



Hispanics made up 3.9 percent of workers and owned 2.9 percent of businesses.

Racial minorities



Racial minorities made up 30.0 percent of workers and owned 21.8 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, 2018](#) (Census)

Business count by owner demographic group

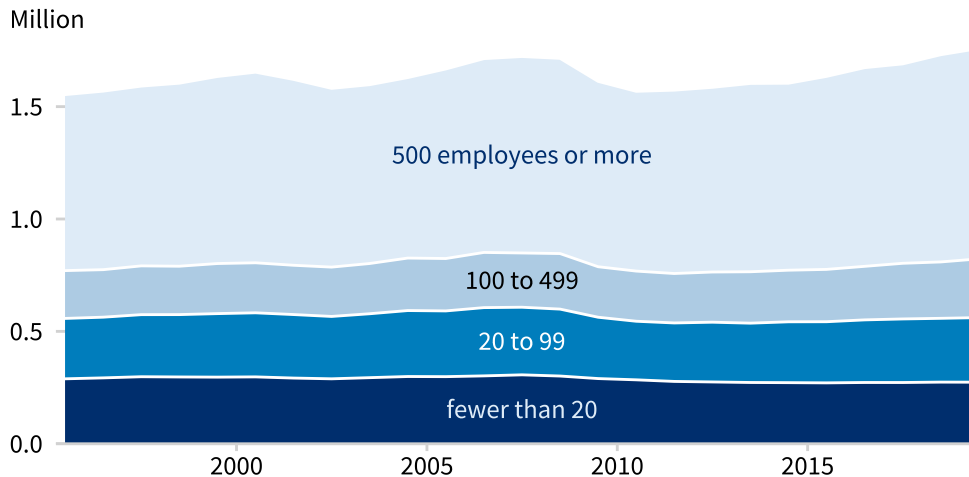
	Without employees	With employees	Total businesses
Ownership			
Female	145,000	12,112	157,112
Male	179,000	43,746	222,746
Owned equally by both groups	7,400	6,925	14,325
Veteran	26,500	5,252	31,752
Not Veteran	303,000	55,506	358,506
Owned equally by both groups	1,800	2,024	3,824
Hispanic	10,000	1,033	11,033
Not Hispanic	321,000	61,608	382,608
Owned equally by both groups	200	*	*
American Indian and Alaska Native	900	441	1,341
Asian	8,300	5,005	13,305
Black or African American	70,000	1,972	71,972
Native Hawaiian and Other Pacific Islander	150	*	*
White	252,000	55,801	307,801
Hispanic or Racial Minority	88,000	8,178	96,178
White and Not Hispanic	243,000	54,316	297,316
Owned equally by both groups	550	*	*

* 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, 2018](#) (Census)

Total Alabama employment by business size

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



Small businesses accounted for 46.8 percent of Alabama employment in 2019, which exceeded the national share.

Small business employment and payroll by industry

Industry	Employers		Employees		Payroll (\$1,000s)	
	Small	%	Small	%	Small	%
Retail Trade	10,360	96.5	86,404	37.9	2,785,549	44.4
Other Services (except Public Administration)	10,075	98.9	68,919	84.4	1,813,144	76.6
Professional, Scientific, and Technical Services	8,079	96.9	64,936	60.0	4,657,696	54.6
Health Care and Social Assistance	7,655	97.6	120,596	45.6	5,431,709	41.9
Construction	7,557	98.8	73,357	80.2	3,814,341	76.4
Accommodation and Food Services	6,136	96.7	109,512	56.2	1,741,242	54.8
Administrative, Support, and Waste Management	3,570	93.3	47,952	30.0	1,635,153	31.9
Wholesale Trade	3,347	88.5	42,964	57.0	2,429,572	54.6
Manufacturing	3,270	88.5	86,298	32.7	3,899,381	26.9
Real Estate and Rental and Leasing	3,223	97.0	17,279	73.5	767,825	72.2
Finance and Insurance	2,876	92.1	25,134	35.8	1,499,963	27.6
Transportation and Warehousing	2,381	91.5	26,300	37.8	1,128,528	34.5
Arts, Entertainment, and Recreation	1,111	97.4	14,054	66.2	289,297	74.4
Educational Services	811	95.9	14,713	57.9	414,452	53.7
Agriculture, Forestry, Fishing and Hunting	766	98.6	5,770	90.0	251,796	87.7
Information	686	84.6	9,523	29.4	537,630	27.5
Management of Companies and Enterprises	254	58.9	4,233	21.6	273,004	15.1
Industries not classified	129	100.0	186	100.0	3,886	100.0
Mining, Quarrying, and Oil and Gas Extraction	125	80.1	2,477	40.9	179,958	36.7
Utilities	92	86.0	2,061	12.9	163,669	9.6
Total	71,997	96.4	822,668	46.8	33,717,795	42.4

Source: [Statistics of US Businesses](#), 2019 (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 problematic data. Data analyzed here largely predate the COVID-19 pandemic, which has had [impacts on businesses](#) that have differed by industry, geography, and demographic group. Electronic versions of this and other [geographic profiles](#) are available online. Visit advocacy.sba.gov for additional resources.