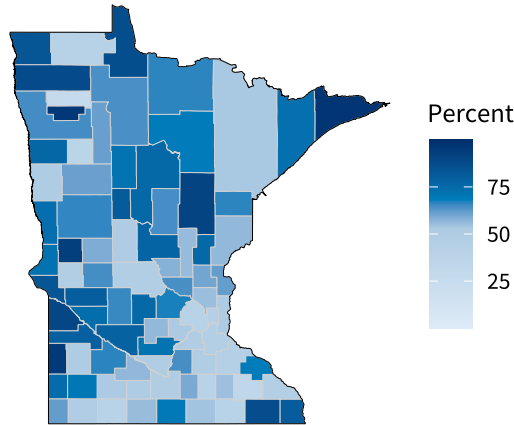


Minnesota

534,397 small businesses
99.4 percent of Minnesota businesses

1.3 million small business employees
46.0 percent of Minnesota employees



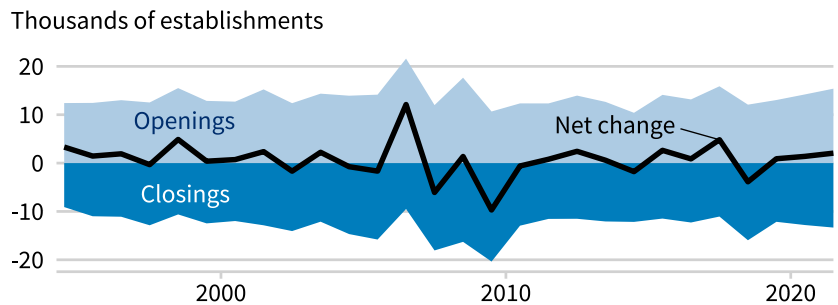
Share of employees working at small businesses by county

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

Business dynamics

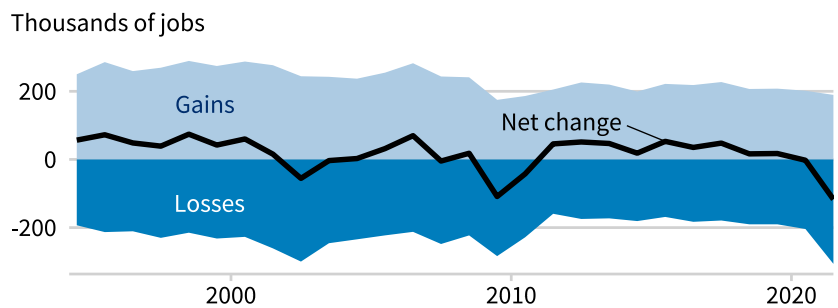
Establishments

Between March 2020 and March 2021, 15,385 Minnesota establishments opened and 13,333 closed, for a net increase of 2,052. Employment expanded at 30,305 establishments and contracted at 40,634. Small businesses accounted for 14,731 openings and 12,504 closings.



Employment

Opening and expanding Minnesota establishments added 189,392 jobs, while closing and contracting establishments lost 306,498, for a net decrease of 117,106 jobs. Small businesses gained 133,860 jobs and lost 206,543, for a net decrease of 72,683 jobs.



Counts include temporary closures and reopenings

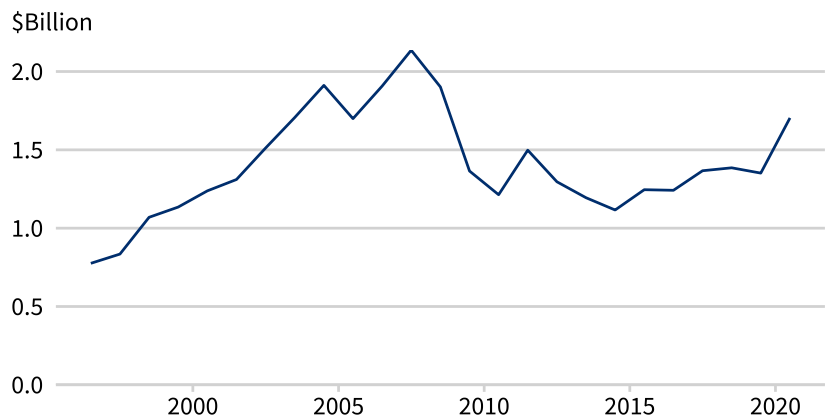
Source: [Business Employment Dynamics](#) (BLS)

Small business loans





The Community Reinvestment Act requires large banks to report new small business loans. In 2020, reporting banks issued \$1.7 billion in loans to Minnesota businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$1.9 billion. Total reported new lending to businesses through loans of \$1 million or less was \$6.6 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
Professional, Scientific, and Technical Services	63,193	13,930	1,090	78,213
Construction	40,099	15,570	1,043	56,712
Real Estate and Rental and Leasing	46,061	5,475	294	51,830
Other Services (except Public Administration)	35,436	13,271	1,165	49,872
Retail Trade	38,792	9,640	1,363	49,795
Transportation and Warehousing	44,987	3,600	568	49,155
Health Care and Social Assistance	28,769	8,204	2,275	39,248
Administrative, Support, and Waste Management	29,488	5,856	730	36,074
Arts, Entertainment, and Recreation	32,730	2,485	359	35,574
Educational Services	16,240	1,360	454	18,054
Finance and Insurance	12,466	5,085	497	18,048
Accommodation and Food Services	5,353	6,215	2,397	13,965
Manufacturing	7,143	4,281	1,648	13,072
Wholesale Trade	6,043	4,400	1,152	11,595
Information	5,500	1,189	247	6,936
Agriculture, Forestry, Fishing and Hunting	5,398	514	27	5,939
Management of Companies and Enterprises	*	82	346	428
Utilities	220	46	49	315
Mining, Quarrying, and Oil and Gas Extraction	162	87	17	266
Industries not classified	*	152	0	152
Total	418,080	101,359	14,958	534,397

* Not reported by the Census Bureau

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



Small business exports

A total of 7,979 identified firms exported goods worth \$19.0 billion from Minnesota in 2020. Of those exporters, 6,875—or 86.2 percent—were small. Exports by small firms reached \$4.6 billion, making up 24.2 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 47.9 percent of workers and owned 41.1 percent of businesses.

Veterans



Veterans made up 4.1 percent of workers and owned 6.9 percent of businesses.

Hispanics



Hispanics made up 4.9 percent of workers and owned 2.6 percent of businesses.

Racial minorities



Racial minorities made up 13.9 percent of workers and owned 10.1 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

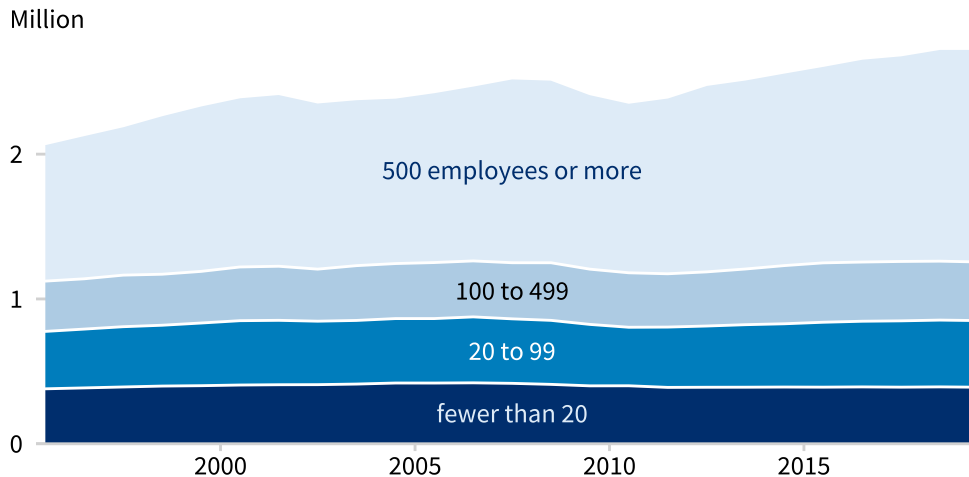
	Without employees	With employees	Total businesses
Ownership			
Female	164,000	19,984	183,984
Male	234,000	69,609	303,609
Owned equally by both groups	11,500	16,404	27,904
Veteran	23,500	6,273	29,773
Not Veteran	384,000	96,301	480,301
Owned equally by both groups	2,200	*	*
Hispanic	11,500	1,495	12,995
Not Hispanic	398,000	104,215	502,215
Owned equally by both groups	300	*	*
American Indian and Alaska Native	1,300	394	1,694
Asian	15,000	4,213	19,213
Black or African American	29,500	1,401	30,901
Native Hawaiian and Other Pacific Islander	200	*	*
White	364,000	99,971	463,971
Hispanic or Racial Minority	56,000	7,087	63,087
White and Not Hispanic	353,000	97,935	450,935
Owned equally by both groups	750	973	1,723

* 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 Minnesota employment by business size

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



Between 1995 and 2019, Minnesota small business employment grew by 11.7 percent, reaching 1.3 million employees in 2019.

Small business employment and payroll by industry

Industry	Employers		Employees		Payroll (\$1,000s)	
	Small	%	Small	%	Small	%
Construction	16,613	99.4	99,754	77.7	7,312,710	73.2
Professional, Scientific, and Technical Services	15,020	97.5	92,884	50.4	7,023,468	45.2
Other Services (except Public Administration)	14,436	99.2	106,172	90.0	3,261,993	85.5
Retail Trade	11,003	96.3	113,175	37.8	3,617,663	42.8
Health Care and Social Assistance	10,479	97.9	217,320	45.2	8,120,171	36.3
Accommodation and Food Services	8,612	97.7	150,666	61.2	2,885,659	58.5
Administrative, Support, and Waste Management	6,586	96.0	62,123	35.6	2,609,467	35.4
Manufacturing	5,929	92.8	133,945	42.3	7,457,412	38.1
Real Estate and Rental and Leasing	5,769	97.6	26,036	67.3	1,271,760	61.5
Finance and Insurance	5,582	94.7	43,204	25.8	3,305,722	19.3
Wholesale Trade	5,552	91.4	69,883	48.2	4,842,926	40.4
Transportation and Warehousing	4,168	94.9	40,876	43.1	1,723,768	36.8
Arts, Entertainment, and Recreation	2,844	98.3	29,754	58.8	843,955	46.8
Educational Services	1,814	96.8	35,078	47.5	1,127,341	47.4
Information	1,436	87.8	19,640	32.0	1,272,941	24.1
Agriculture, Forestry, Fishing and Hunting	541	98.9	2,397	94.2	107,972	91.8
Management of Companies and Enterprises	428	54.7	8,615	6.7	660,795	4.6
Industries not classified	152	100.0	149	100.0	4,702	100.0
Mining, Quarrying, and Oil and Gas Extraction	104	90.4	944	18.1	90,762	17.8
Utilities	95	77.2	2,568	19.7	228,189	16.7
Total	116,317	97.5	1,255,183	46.0	57,769,376	37.6

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.