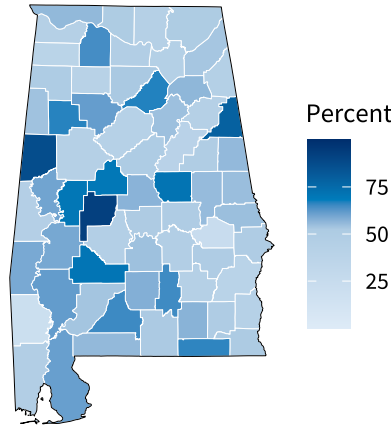


# 2024 Small Business Profile

## Alabama

**449,024** small businesses  
**99.4 percent** of Alabama businesses

**802,607** small business employees  
**46.7 percent** of Alabama employees



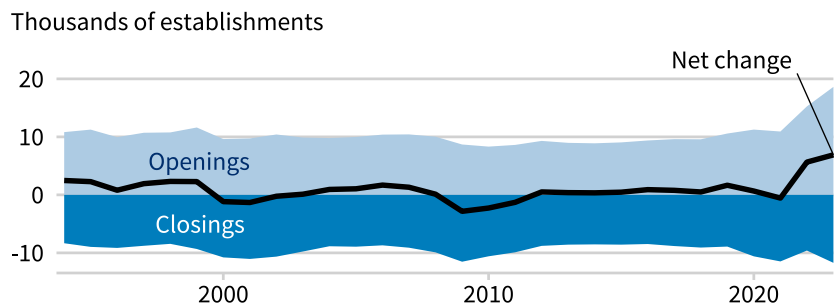
### Share of employees working at small businesses by county

Sources of original data: [Nonemployer Statistics](#) (Census), [Statistics of U.S. Businesses](#) (Census)

## Employer and employment dynamics

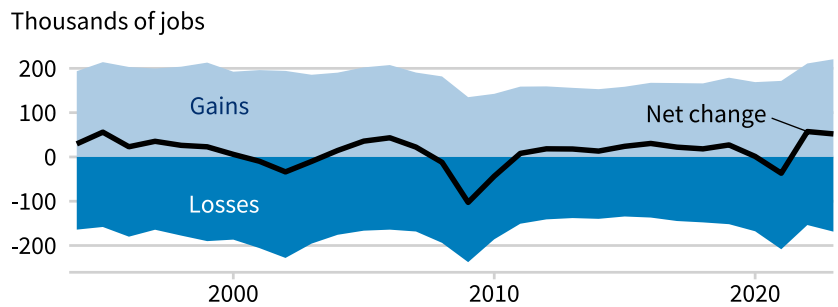
### Establishments

Between March 2022 and March 2023, 18,617 Alabama establishments opened and 11,719 closed, for a net increase of 6,898. Employment expanded at 30,289 establishments and contracted at 26,680. Small businesses accounted for 17,007 openings and 10,772 closings.



### Employment

Opening and expanding Alabama establishments added 220,643 jobs, while closing and contracting establishments lost 168,678, for a net increase of 51,965 jobs. Small businesses contributed a net increase of 41,091 jobs, or 79.1 percent of that total.



Counts include temporary closures and reopenings.

Source: [Business Employment Dynamics](#) (Bureau of Labor Statistics)

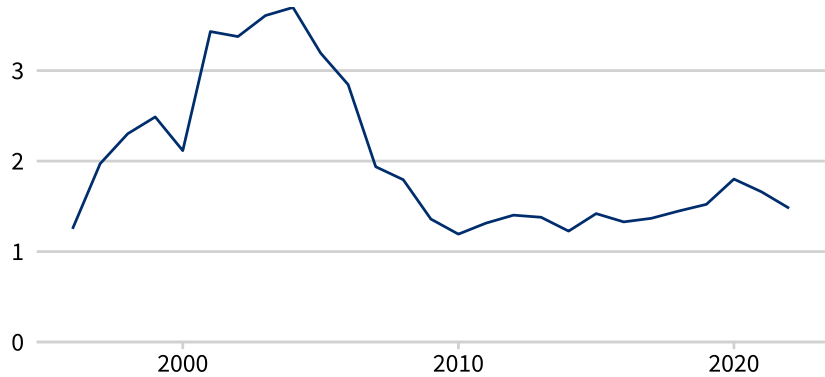
## Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2022, reporting banks issued \$1.5 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 \$1.2 billion. Total reported new lending to businesses through loans of \$1 million or less was \$4.2 billion.

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

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

\$Billion



## Small business count by size and industry

Industry	Without employees	1–19 employees	20–499 employees	All small businesses
Other Services (except Public Administration)	52,947	9,696	687	63,330
Administrative, Support, and Waste Management	49,382	3,377	545	53,304
Construction	44,609	7,268	910	52,787
Professional, Scientific, and Technical Services	38,281	7,564	754	46,599
Retail Trade	33,883	9,428	997	44,308
Real Estate and Rental and Leasing	37,389	3,382	220	40,991
Transportation and Warehousing	31,735	2,318	392	34,445
Health Care and Social Assistance	25,525	6,418	1,300	33,243
Arts, Entertainment, and Recreation	15,021	978	172	16,171
Accommodation and Food Services	8,776	4,908	1,457	15,141
Finance and Insurance	8,782	2,597	293	11,672
Educational Services	10,026	679	178	10,883
Manufacturing	5,125	2,286	992	8,403
Wholesale Trade	4,705	2,532	731	7,968
Agriculture, Forestry, Fishing and Hunting	4,393	712	49	5,154
Information	3,392	609	131	4,132
Mining, Quarrying, and Oil and Gas Extraction	268	79	39	386
Utilities	151	63	29	243
Management of Companies and Enterprises	*	47	193	240
Industries not classified	*	129	0	129
All industries	374,390	65,005	9,629	449,024

\* Not reported by the Census Bureau

Sources: [Nonemployer Statistics](#), 2021 (Census); [Statistics of U.S. Businesses](#), 2021 (Census)



### Small business exports

A total of 4,237 identified firms exported goods worth \$24.6 billion from Alabama in 2022. Of those exporters, 3,374—or 79.6 percent—were small. Exports by small firms reached \$4.4 billion, making up 17.7 percent of exports by identified firms.

Source: [A profile of U.S. importing and exporting companies, 2021-2022](#) (Census)

## Business ownership share by demographic group

### Women



### Veterans



### Hispanics



### Racial minorities



Ownership shares include equal and majority ownership.

Sources of original data: [American Community Survey, 2021 5-Year Data \(Census\)](#); [Annual Business Survey, 2021 \(Census\)](#); [Nonemployer Statistics by Demographics, 2021 \(Census\)](#)

## Business count by owner demographic group

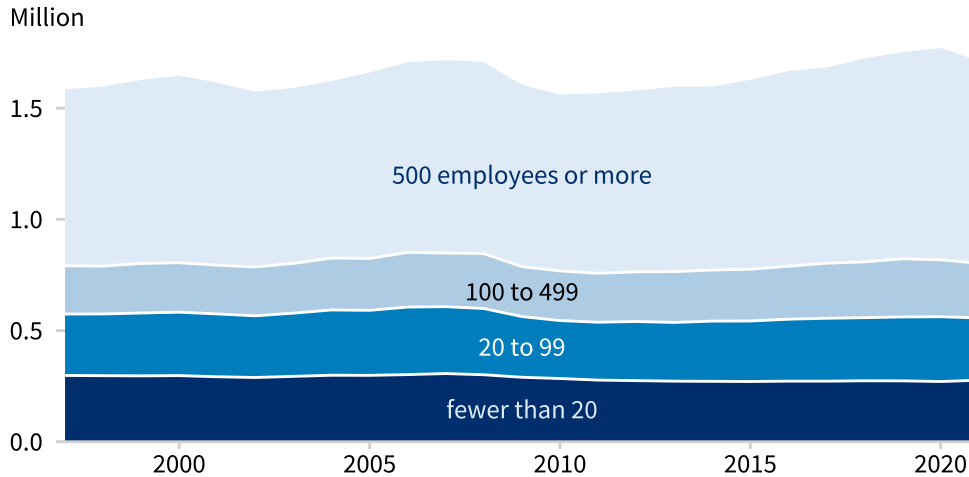
Ownership	Without employees	With employees	Total businesses
Female	168,000	12,234	180,234
Male	193,000	45,451	238,451
Owned equally by both groups	7,500	7,977	15,477
Veteran	26,500	5,292	31,792
Not Veteran	340,000	58,669	398,669
Owned equally by both groups	1,600	1,703	3,303
Hispanic	14,500	1,177	15,677
Not Hispanic	354,000	64,241	418,241
Owned equally by both groups	250	246	496
American Indian and Alaska Native	4,200	*	*
Asian	10,000	5,796	15,796
Black or African American	96,000	2,551	98,551
Native Hawaiian and Other Pacific Islander	400	9	409
White	262,000	57,013	319,013
Hispanic or Racial Minority	121,000	9,680	130,680
White and Not Hispanic	246,000	55,360	301,360
Owned equally by both groups	700	622	1,322

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

Sources: [Annual Business Survey, 2021 \(Census\)](#); [Nonemployer Statistics by Demographics, 2021 \(Census\)](#)

## Total Alabama employment by business size

Source of original data: [Statistics of U.S. Businesses](#) (Census)



Small businesses accounted for 46.7 percent of Alabama employment in 2021, which exceeded the national small business employment share.

## Small business employment and payroll by industry

Industry	Employers		Employees		Payroll (\$1,000s)	
	Small	%	Small	%	Small	%
Retail Trade	10,425	96.7	86,774	38.0	3,343,374	46.4
Other Services (except Public Administration)	10,383	99.0	64,641	87.0	1,969,433	80.4
Professional, Scientific, and Technical Services	8,318	96.6	64,358	56.8	4,935,672	52.2
Construction	8,178	98.8	75,685	79.8	4,351,597	76.7
Health Care and Social Assistance	7,718	97.6	118,225	46.0	5,871,195	42.3
Accommodation and Food Services	6,365	97.0	99,673	57.9	1,950,292	59.3
Administrative, Support, and Waste Management	3,922	93.4	50,622	30.4	1,934,120	32.4
Real Estate and Rental and Leasing	3,602	97.1	16,868	71.2	892,570	69.6
Manufacturing	3,278	88.5	83,382	32.6	4,113,635	27.2
Wholesale Trade	3,263	88.0	41,815	56.8	2,684,974	54.7
Finance and Insurance	2,890	91.4	24,317	34.0	1,594,721	25.4
Transportation and Warehousing	2,710	92.5	26,357	36.5	1,252,632	33.8
Arts, Entertainment, and Recreation	1,150	97.9	13,617	79.6	327,294	82.7
Educational Services	857	95.9	14,420	62.7	459,864	57.4
Agriculture, Forestry, Fishing and Hunting	761	98.3	5,292	80.8	250,631	77.7
Information	740	85.4	9,028	33.0	578,979	30.2
Management of Companies and Enterprises	240	56.6	3,486	16.2	282,302	13.0
Industries not classified	129	100.0	163	100.0	4,739	100.0
Mining, Quarrying, and Oil and Gas Extraction	118	79.2	1,805	36.0	127,649	33.6
Utilities	92	86.0	2,079	14.8	173,173	10.1
All industries	74,634	96.5	802,607	46.7	37,098,846	42.7

Source: [Statistics of U.S. Businesses](#), 2021 (Census)

### About this profile

Small businesses are generally defined here as firms with fewer than 500 employees. Figures or statistics may involve approximations because of missing or problematic data. Where notes identify the source of “original data,” a value is approximate in at least one profile. The Technical Notes provide details on data, methods, and definitions. Electronic versions of this and other [geographic profiles](#) are available online. Visit [advocacy.sba.gov](http://advocacy.sba.gov) for additional resources.