

## South Carolina

**376,491** Small Businesses

**74,816** Small Businesses with Employees

**301,675** Small Businesses without Employees (Nonemployers)

**719,068** Workers Employed by Small Businesses

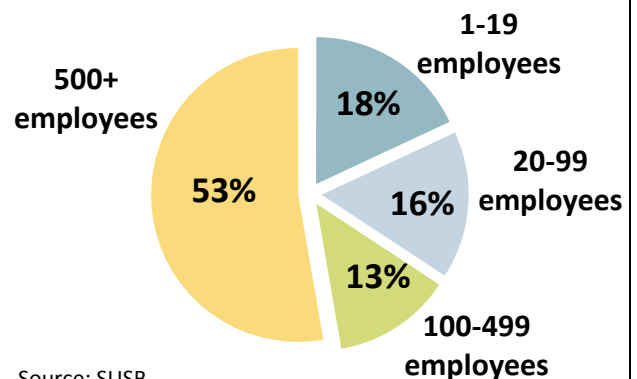
### State Economy Overall

- South Carolina's economy grew at a faster rate than the United States in 2012. South Carolina's real gross state product increased by **2.7 percent** compared to **2.5 percent** for U.S. gross domestic product. (Source: BEA)
- The employment situation in South Carolina has improved. The unemployment rate in South Carolina declined from **8.4 percent** in December 2012 to **6.6 percent** in December 2013. This is below the national average of **6.7 percent**. (Source: BLS)

### Employment

- South Carolina's small businesses employed about half or **719,068** of the state's private workforce in 2011.
- Almost all firms with employees are small. They make up **96.9 percent** of all employers in the state. **Table 3** offers further industry detail on small firms.
- Firms with fewer than 100 employees have the largest share of small business employment. **Figure 1** offers further detail.
- The three industries with the most small business employment were: accommodation & food services, health care & social assistance, and retail trade (**Table 4**).
- In South Carolina, small businesses created **4,561** net new jobs in 2011. The biggest gain was in the smallest firm size category of 1-4 employees. (Source: BDS)
- The number of people who were primarily self-employed decreased in 2012. For demographic detail on the state's self-employment, see **Figure 2**.
- The state's private-sector employment increased in 2013 by **2.2 percent**, which was above the national average growth rate of **2.1 percent**. (Source: BEA, BLS)

**Figure 1: South Carolina Employment by Size of Firm, 2011**



The *Small Business State and Territory Profiles* report on the economic status of small business from 2010 to 2013. They include information on the number of firms, employment, demographics and other topics using the most recently available government data. They are a reference tool for researchers, policymakers, and small entities who are interested in how small firms are performing regionally or nationally. *Note that this report defines small businesses as firms with fewer than 500 employees.*

## Income and Finance

- Most small businesses are sole proprietors. Annual income from sole proprietorships increased **7.4 percent** in the 3<sup>rd</sup> quarter of 2013 and totaled **\$10.8 billion**. (Source: BEA)
- The Federal Deposit Insurance Corporation tracks banks and bank branches and publishes annual data for each state. For more detailed information see [www2.fdic.gov/sod/sodSummary.asp?barItem=3](http://www2.fdic.gov/sod/sodSummary.asp?barItem=3).
- In 2012, **60,976** loans under \$100,000 (and valued at **\$765.7 million**) were issued by Community Reinvestment Act lending institutions in South Carolina. (Source: FFIEC)

## Business Owner Demographics

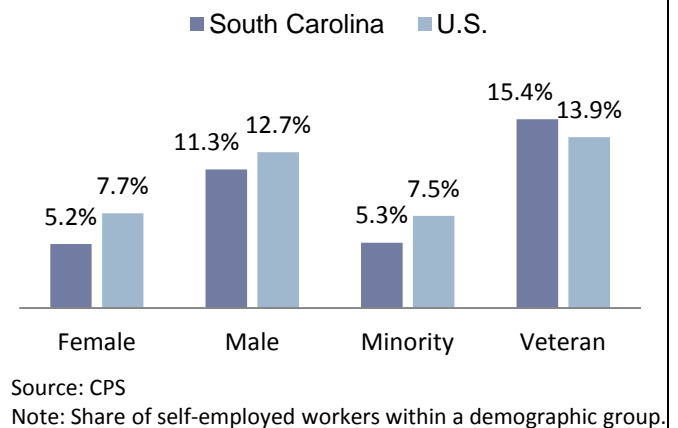
- In 2011, there were an estimated **105,000** woman-owned businesses and **61,000** minority-owned businesses. For additional business demographic information, see **Table 1** and **Figure 2**.

**Table 1. Demographics of All South Carolina Businesses, 2011**

	Number of All Businesses <sup>e</sup>	Share of All Businesses (%) <sup>*</sup>
Male Owned	209,000	55.2
Woman Owned	105,000	27.6
Equally Male and Female Owned	53,000	13.9
Minority Owned	61,000	16.0
Veteran Owned	49,000	12.9

e = Advocacy estimate. \*2007 SBO. Note: This estimate is based on the share of business owners in the 2007 SBO. This share is multiplied by the total number of businesses in 2011 (employer + nonemployer firms). These shares will not be updated to 2012 until fall 2015. Thus, the 2011 estimates assume the 2011 shares are the same as 2007. For more information, visit [www.sba.gov/sites/default/files/files/sc10.pdf](http://www.sba.gov/sites/default/files/files/sc10.pdf).

**Figure 2: South Carolina Self-Employment Demographics, 2012**



## Business Turnover

- **Table 2** gives South Carolina's establishment survival rates over an eight-year period, 2002-2010.
- In the 2<sup>nd</sup> quarter of 2013, **4,338** establishments opened and **3,809** closed in the state of South Carolina. (Source: BED)
- Business bankruptcies declined in net from 2012 to 2013, signaling a stronger state economy. (Source: U.S. Courts)

**Table 2. Survival Rates of Establishments in South Carolina**

	Establishments Opened*	Share Surviving Until 2012 (%)
2002	8,375	33.3
2007	11,255	41.1
2010	7,007	65.9

Source: BLS, BED. \*Data year ending in March.

## International Trade

- A total of **5,966** companies exported goods from the state in 2012. Of these, **5,091** or **85.3 percent** were small firms; they generated about one-sixth (**16.1 percent**) of the state's total known export value. (Source: ITA)

**Table 3: Number of South Carolina Small Firms by Industry, 2011**  
(ranked by number of small employer firms)

Industry	Employer Firms With 1-499 Employees	Employer Firms With 1-19 Employees	Nonemployer Firms	Total Small Firms
Other services (except public admin.)	10,264	9,541	56,283	66,547
Retail trade	10,150	9,329	26,547	36,697
Construction	8,688	8,045	35,678	44,366
Professional, scientific, & tech. svcs.	8,674	8,136	33,260	41,934
Health care & social assistance	7,277	6,213	21,042	28,319
Accommodation & food services	6,963	5,339	5,340	12,303
Admin., supp., waste mgt., remed. svcs.	4,494	3,982	32,574	37,068
Wholesale trade	3,497	2,821	5,193	8,690
Real estate & rental & leasing	3,451	3,230	33,611	37,062
Manufacturing	3,116	2,251	3,852	6,968
Finance & insurance	2,943	2,679	9,841	12,784
Transportation & warehousing	1,857	1,568	12,066	13,923
Arts, entertainment, & recreation	1,360	1,092	13,288	14,648
Educational services	950	760	6,857	7,807
Information	563	453	3,296	3,859
Forestry, etc. & agriculture support	494	450	2,636	3,130
Management of comp. & enterprises	235	51	0	235
Unclassified	172	172	0	172
Utilities	81	51	238	319
Mining	51	42	73	124
<b>Total</b>	<b>74,816</b>	<b>66,127</b>	<b>301,675</b>	<b>376,491</b>

**Table 4: Employment in South Carolina by Industry and Firm Size, 2011**  
(ranked by small firm employment)

Industry	Employment		Small Firm Share of Industry Employment (%)
	Small Firms	Total Firms	
Accommodation & food services	113,036	177,921	64
Health care & social assistance	99,213	217,275	46
Retail trade	71,201	219,433	32
Other services (except public admin.)	69,211	76,334	91
Manufacturing	67,703	204,309	33
Construction	58,079	77,710	75
Admin., supp., waste mgt., remed. svcs.	49,736	138,226	36
Professional, scientific, & tech. svcs.	47,857	81,397	59
Wholesale trade	34,502	62,547	55
Finance & insurance	23,564	65,516	36
Arts, entertainment, & recreation	20,280	24,550	83
Real estate & rental & leasing	16,294	24,416	67
Educational services	15,849	30,625	52
Transportation & warehousing	15,479	49,348	31
Information	6,612	32,719	20
Forestry, etc. & agriculture support	3,765	4,109	92
Management of comp. & enterprises	3,496	21,988	16
Utilities	2,517	11,466	22
Mining	469	1,029	46
Unclassified	205	205	100
<b>Total</b>	<b>719,068</b>	<b>1,521,123</b>	<b>47</b>

Source, Tables 3 and 4: SUSB

See [www.sba.gov/advocacy/847/841921](http://www.sba.gov/advocacy/847/841921) for more detailed data.

Note: Small firms are defined as nonfarm firms having fewer than 500 employees.

## Abbreviations and Resources

<b>BEA</b>	Bureau of Economic Analysis, U.S. Department of Commerce, <a href="http://www.bea.gov">www.bea.gov</a> .
<b>BED</b>	Business Employment Dynamics, U.S. Department of Labor, Bureau of Labor Statistics, <a href="http://www.bls.gov/bdm">www.bls.gov/bdm</a> .
<b>BDS</b>	Business Dynamics Statistics, U.S. Census Bureau, <a href="http://www.census.gov/ces/dataproducts/bds">www.census.gov/ces/dataproducts/bds</a> .
<b>BLS</b>	Bureau of Labor Statistics, U.S. Department of Labor, <a href="http://www.bls.gov">www.bls.gov</a> .
<b>CPS</b>	Current Population Survey, U.S. Census Bureau, and U.S. Department of Labor, Bureau of Labor Statistics, <a href="http://www.census.gov/cps">www.census.gov/cps</a> .
<b>FDIC</b>	Federal Deposit Insurance Corporation, <a href="http://www.fdic.gov">www.fdic.gov</a> .
<b>FFIEC</b>	Federal Financial Institutions Examination Council, <a href="http://www.ffiec.gov">www.ffiec.gov</a> .
<b>ITA</b>	International Trade Administration, U.S. Department of Commerce, <a href="http://www.trade.gov">www.trade.gov</a> .
<b>SBO</b>	Survey of Business Owners, U.S. Census Bureau, <a href="http://www.census.gov/econ/sbo">www.census.gov/econ/sbo</a> .
<b>SUSB</b>	Statistics of U.S. Businesses, U.S. Census Bureau, <a href="http://www.census.gov/econ/susb">www.census.gov/econ/susb</a> .
<b>U.S. Courts</b>	Administrative Office of the U.S. Courts, <a href="http://www.uscourts.gov">www.uscourts.gov</a> .