

# 2018 SMALL BUSINESS PROFILE

## OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

### GEORGIA



**1.0 million** Small Businesses  
**99.6%** of Georgia Businesses

**1.6 million** Small Business Employees  
**43.2%** of Georgia Employees



**EMPLOYMENT**  
**73,251**  
net new jobs



**DIVERSITY**  
**371,524**  
minority-owned  
businesses



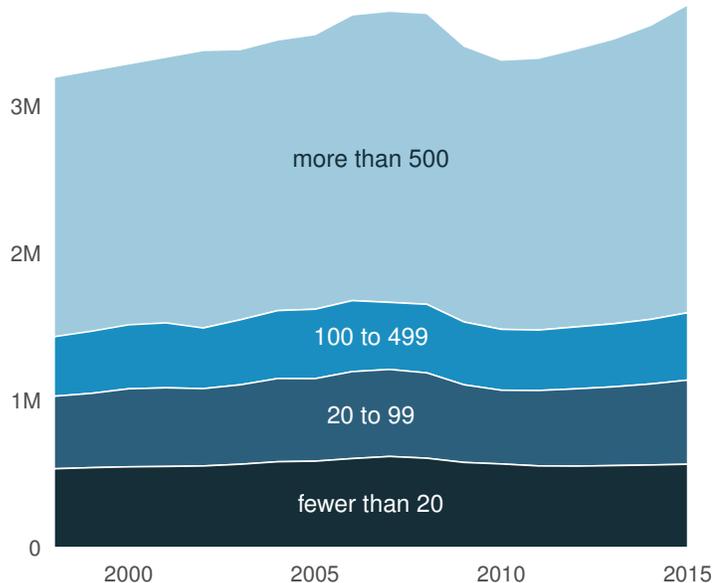
**TRADE**  
**12,667**  
small business  
exporters

### OVERALL GEORGIA ECONOMY

- In the third quarter of 2017, Georgia grew at an annual rate of **3.2%**, which was slower than the overall US growth rate of **3.4%**. Georgia's 2016 growth rate of **3.0%** was down from the 2015 rate of **3.1%**. (Source: [BEA](#))
- In January 2018, the unemployment rate was **4.5%**, down from **5.3%** in January 2017. This was above the January 2018 national unemployment rate of **4.1%**. (Source: [CPS](#))

### EMPLOYMENT

Figure 1: Georgia Employment by Business Size (Employees)



- Georgia small businesses employed **1.6 million** people, or **43.2%** of the private workforce, in 2015. (Source: [SUSB](#))
- Firms with fewer than 100 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment increased **2.6%** during the 12-month period ending in January 2018. This was below the increase of **3.6%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2016 by **2.4%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **73,251** net jobs in 2015. Firms employing fewer than 20 employees experienced the largest gains, adding **37,573** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **9,406** net jobs. (Source: [SUSB](#))

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy. Each report incorporates the most up-to-date government data to present a unique snapshot of small businesses. Small businesses are defined for this profile as firms employing fewer than 500 employees. Net small business job change, minority small business ownership, and exporter share statistics are based on the 2015 Statistics of US Businesses (SUSB), 2012 Survey of Business Owners (SBO), and 2015 International Trade Administration (ITA) data, respectively.

## INCOME AND FINANCE

- The number of banks decreased by 11 between June 2016 and June 2017 to 181 banks. (Source: FDIC)
- In 2016, 172,076 loans under \$100,000 (valued at \$2.3 billion) were issued by Georgia lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income for individuals self-employed at their own incorporated businesses was \$45,293 in 2016. For individuals self-employed at their own unincorporated firms, this figure was \$21,529. (Source: ACS)

Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

## EMPLOYER BUSINESS OWNER DEMOGRAPHICS

Figure 2: Georgia Employees per Business by Owner's Demographic, 2015

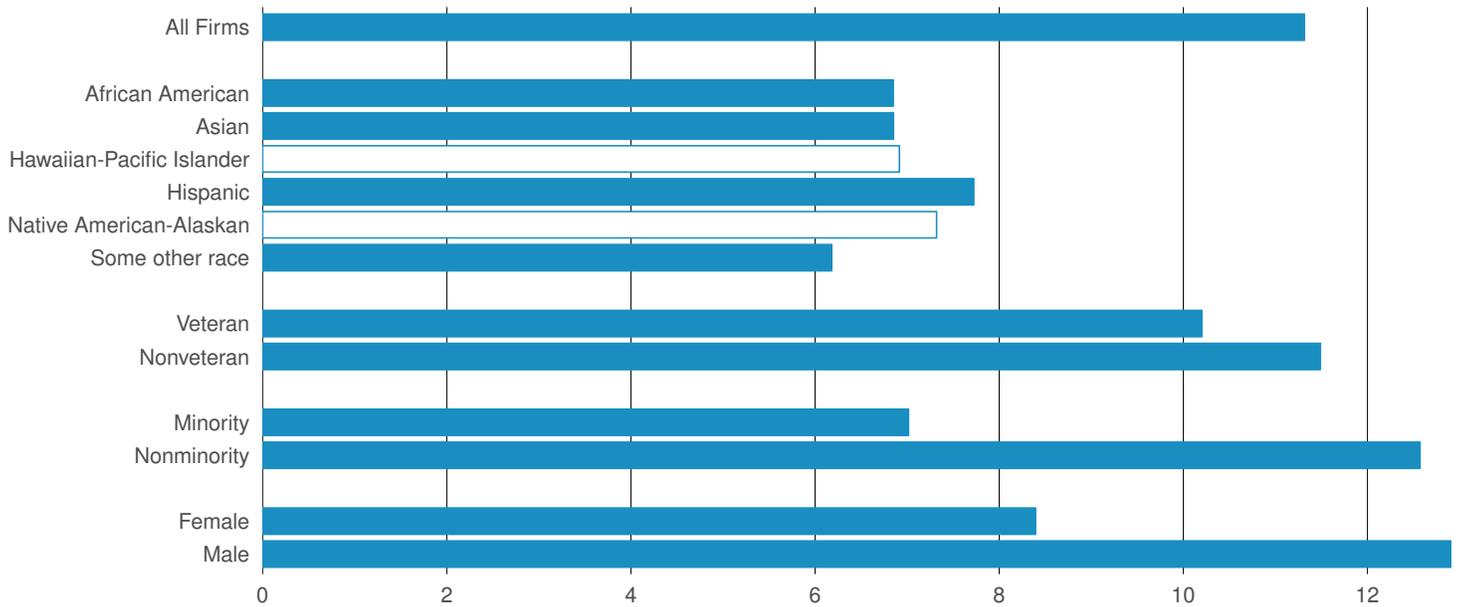
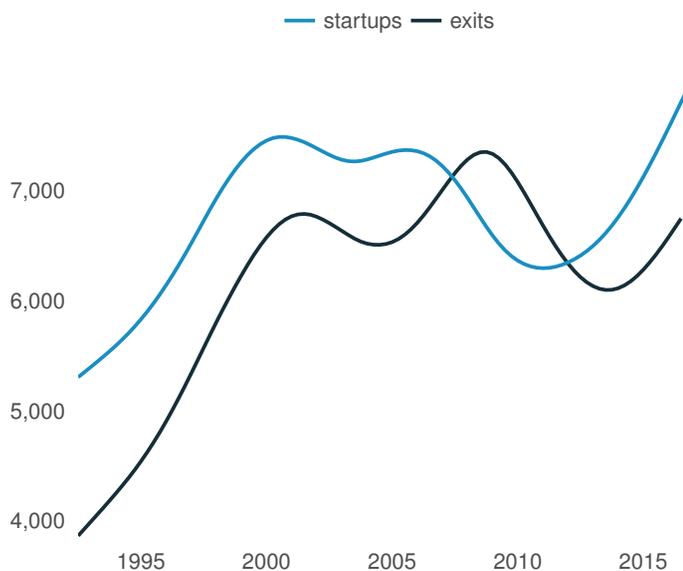


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding individual businesses.

## TURNOVER AMONG ESTABLISHMENTS WITH EMPLOYEES

Figure 3: Georgia Quarterly Startups and Exits



- In the third quarter of 2016, 7,830 establishments started up, generating 34,863 new jobs in Georgia. Startups are counted when business establishments hire at least one employee for the first time. (Source: BDM)
- In the same period, 7,140 establishments exited resulting in 29,628 jobs lost. Exits occur when establishments go from having at least one employee to having none, and then remain closed for at least one year. (Source: BDM)
- Figure 3 displays quarterly startups and exits from 1992 to 2016. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: BDM)

The BLS data covers only business establishments with employees. BLS refers to startups as births and exits as deaths. These terms are distinct from the BLS openings and closings categories. Openings include seasonal re-openings and closings include seasonal shutterings. Quarterly startup and exit values may not align with Figure 3 due to smoothing.

## INTERNATIONAL TRADE

- A total of 14,369 companies exported goods from Georgia in 2015. Of these, 12,667, or 88.2%, were small firms; they generated 28.9% of Georgia's \$35.6 billion in total exports. (Source: ITA)

## SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: Georgia Employment by Industry, 2015

 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Accommodation and Food Services	241,117	403,873	59.7
Health Care and Social Assistance	211,275	478,276	44.2
Professional, Scientific, and Technical Services	146,863	252,351	58.2
Retail Trade	141,117	468,517	30.1
Other Services (except Public Administration)	131,544	156,605	84.0
Construction	128,229	164,767	77.8
Manufacturing	125,209	365,088	34.3
Administrative, Support, and Waste Management	110,691	377,195	29.3
Wholesale Trade	103,908	204,669	50.8
Finance and Insurance	53,405	173,080	30.9
Educational Services	43,684	83,713	52.2
Transportation and Warehousing	42,472	176,600	24.0
Real Estate and Rental and Leasing	37,975	59,555	63.8
Arts, Entertainment, and Recreation	28,216	46,741	60.4
Information	24,411	118,864	20.5
Management of Companies and Enterprises	10,033	124,169	8.1
Agriculture, Forestry, and Fishing and Hunting	7,037	7,530	93.5
Utilities	6,771	24,886	27.2
Mining, Quarrying, and Oil and Gas Extraction	2,404	5,435	44.2
Industries not classified	576	576	100.0
<b>Total</b>	<b>1,596,937</b>	<b>3,692,490</b>	<b>43.2</b>

Figure 4: Georgia Small Business Employment by County, 2015

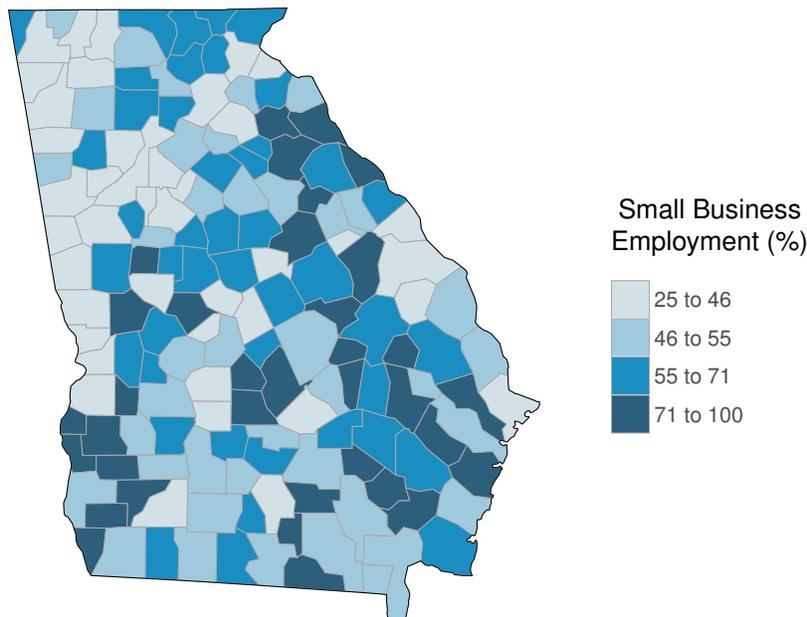


Table 2: Georgia Small Businesses by Industry and Firm Size, 2015

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Professional, Scientific, and Technical Services	26,645	24,867	104,953	131,598
Retail Trade	20,627	19,074	64,078	84,705
Other Services (except Public Administration)	19,320	17,914	165,194	184,514
Health Care and Social Assistance	18,131	15,786	69,835	87,966
Construction	16,586	15,089	94,950	111,536
Accommodation and Food Services	14,009	10,359	15,378	29,387
Wholesale Trade	10,034	8,250	13,237	23,271
Administrative, Support, and Waste Management	9,789	8,518	99,092	108,881
Real Estate and Rental and Leasing	8,412	7,910	75,243	83,655
Finance and Insurance	7,429	6,758	22,518	29,947
Manufacturing	6,005	4,397	10,850	16,855
Transportation and Warehousing	4,861	4,147	53,124	57,985
Arts, Entertainment, and Recreation	2,756	2,414	39,912	42,668
Educational Services	2,664	2,139	24,921	27,585
Information	2,082	1,730	10,883	12,965
Agriculture, Forestry, and Fishing and Hunting	919	822	5,904	6,823
Utilities	115	60	680	795
Mining, Quarrying, and Oil and Gas Extraction	113	85	145	258
<b>Total</b>	<b>170,618</b>	<b>150,817</b>	<b>870,897</b>	<b>1,041,515</b>

Figure 4 and Tables 1 and 2 display data from the 2015 SUSB. Table 2 includes additional data from the 2015 Nonemployer Statistics (NES).

REFERENCES

The Small Business Profiles, source data, and methodology are available at <https://go.usa.gov/xQT4w>.

ASE	Annual Survey of Entrepreneurs, US Census Bureau
BEA	Bureau of Economic Analysis, US Department of Commerce
BDM	Business Employment Dynamics, BLS
BLS	Bureau of Labor Statistics, US Department of Labor
CPS	Current Population Survey, BLS
FDIC	Call Reports, Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
ITA	International Trade Administration, US Department of Commerce
NES	Nonemployer Statistics, US Census Bureau
SBO	Survey of Business Owners, US Census Bureau
SUSB	Statistics of US Businesses, US Census Bureau