

2019 Small Business Profile

South Carolina



418,031 Small Businesses
99.4% of South Carolina Businesses

794,711 Small Business Employees
46.3% of South Carolina Employees



EMPLOYMENT
30,885
net new jobs



DIVERSITY
88,867
minority-owned
business employees



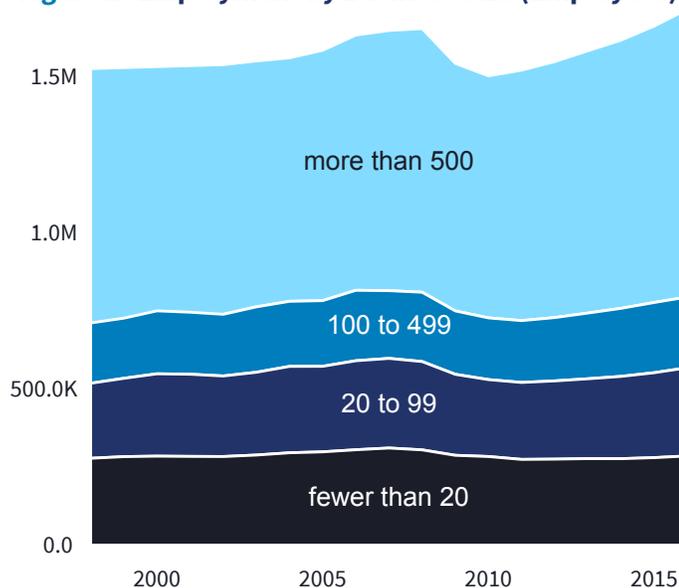
TRADE
5,300
small business
exporters

Overall South Carolina Economy

- In the third quarter of 2018, South Carolina grew at an annual rate of **2.9%**, which was slower than the overall US growth rate of **3.4%**. South Carolina's 2017 growth rate of **2.6%** was unchanged from the 2016 rate of **2.6%**. (Source: [BEA](#))
- In February 2019, the unemployment rate was **3.2%**, down from **3.8%** in February 2018. This was below the February 2019 national unemployment rate of **3.8%**. (Source: [CPS](#))

Employment

Figure 1: Employment by Business Size (Employees)



- South Carolina small businesses employed **794,711** people, or **46.3%** of the private workforce, in 2016. (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 **1.7%** during the 12-month period ending in February 2019. This was above the increase of **1.5%** during the prior 12-month period. (Source: [CPS](#))
- The number of proprietors increased in 2017 by **1.7%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **30,885** net jobs in 2016. Firms employing fewer than 20 employees experienced the largest gains, adding **18,352** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **4,044** net jobs. (Source: [SUSB](#))

The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy (<http://advocacy.sba.gov>). 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, employees of minority-owned businesses, and exporter share statistics are based on the 2016 Statistics of US Businesses (SUSB), 2016 Annual Survey of Entrepreneurs (ASE), and 2016 International Trade Administration (ITA) data, respectively.

Income and Finance

- The number of banks decreased by 3 between June 2016 and June 2017 to 55 banks. (Source: FDIC)
- In 2017, 72,824 loans under \$100,000 (valued at \$1.1 billion) were issued by South Carolina lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income for individuals self-employed at their own incorporated businesses was \$45,564 in 2017. For individuals self-employed at their own unincorporated firms, this figure was \$22,074. (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: South Carolina Employees per Business by Owner's Demographic, 2016

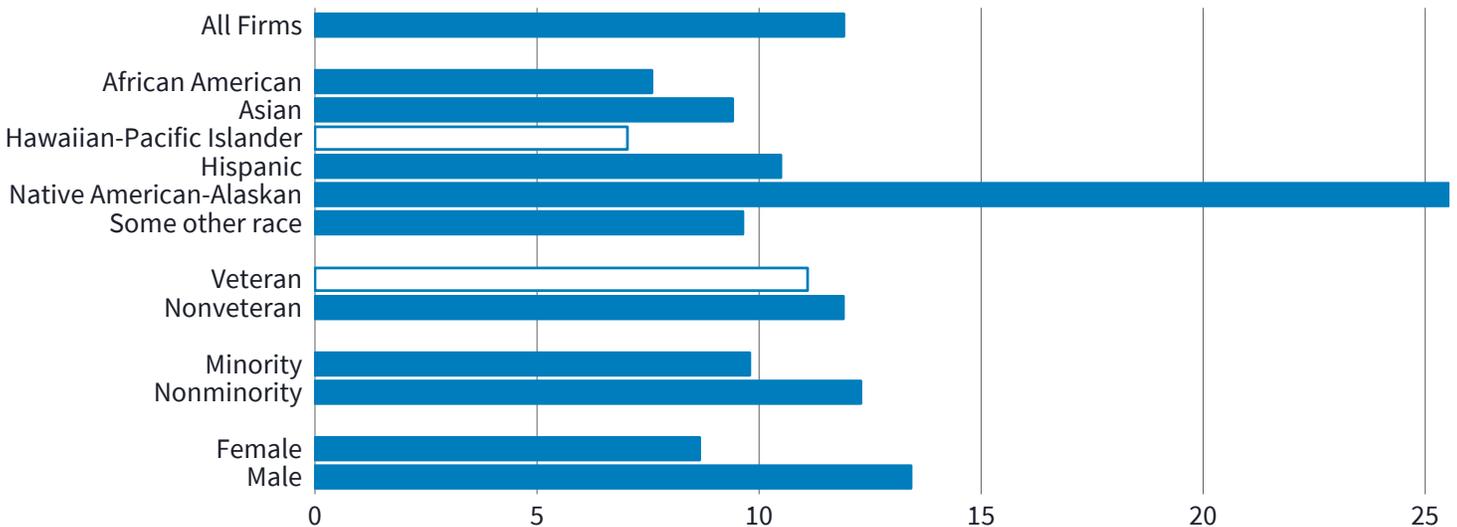
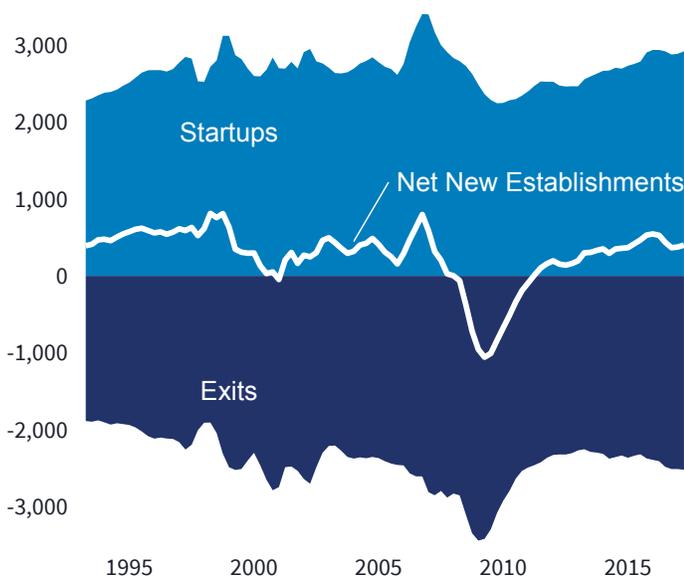


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the 2016 Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding individual businesses.

Turnover among Establishments with Employees

Figure 3: South Carolina Quarterly Startups and Exits



- In the third quarter of 2017, 2,900 establishments started up, generating 10,771 new jobs in South Carolina. Startups are counted when business establishments hire at least one employee for the first time. (Source: BDM)
- In the same period, 2,629 establishments exited resulting in 8,793 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 1993 to 2017. 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 6,303 companies exported goods from South Carolina in 2016. Of these, 5,300, or 84.1%, were small firms; they generated 11.2% of South Carolina's \$29.6 billion in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: South Carolina Employment by Industry, 2016

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Accommodation and Food Services	138,162	220,891	62.5
Health Care and Social Assistance	104,431	230,608	45.3
Retail Trade	76,982	244,946	31.4
Manufacturing	73,958	228,268	32.4
Other Services (except Public Administration)	72,122	81,622	88.4
Construction	68,426	79,827	85.7
Professional, Scientific, and Technical Services	54,994	89,194	61.7
Administrative, Support, and Waste Management	52,036	171,845	30.3
Wholesale Trade	36,763	73,208	50.2
Arts, Entertainment, and Recreation	21,981	27,281	80.6
Finance and Insurance	21,672	69,856	31.0
Real Estate and Rental and Leasing	18,590	26,063	71.3
Educational Services	18,287	32,531	56.2
Transportation and Warehousing	17,535	60,392	29.0
Information	6,915	36,207	19.1
Management of Companies and Enterprises	4,704	26,402	17.8
Agriculture, Forestry, and Fishing and Hunting	3,685	3,920	94.0
Utilities	2,571	11,972	21.5
Mining, Quarrying, and Oil and Gas Extraction	605	1,171	51.7
Industries not classified	292	292	100.0
Total	794,711	1,716,496	46.3

Figure 4: South Carolina Self-Employment Rates by County, 2017

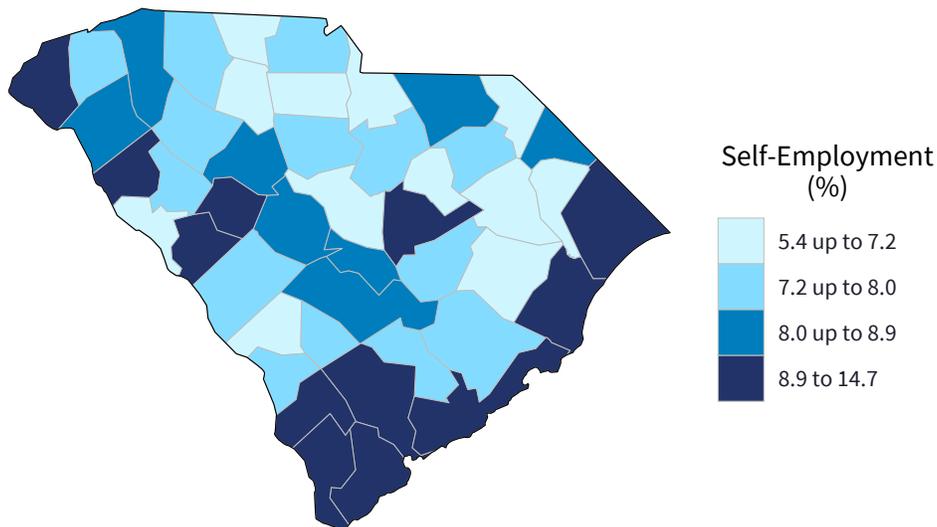


Table 2: South Carolina Small Businesses by Industry and Firm Size, 2016

Industry	1-499 Employees	1-19 Employees	Nonemployer Firms	Total Small Firms
Other Services (except Public Administration)	10,577	9,822	59,813	70,390
Professional, Scientific, and Technical Services	9,324	8,662	39,504	48,828
Construction	9,161	8,371	37,335	46,496
Real Estate and Rental and Leasing	4,197	3,954	38,851	43,048
Administrative, Support, and Waste Management	4,847	4,257	34,982	39,829
Retail Trade	10,012	9,132	28,986	38,998
Health Care and Social Assistance	7,409	6,260	24,145	31,554
Transportation and Warehousing	2,006	1,705	18,285	20,291
Arts, Entertainment, and Recreation	1,509	1,223	16,535	18,044
Accommodation and Food Services	7,447	5,420	5,850	13,297
Finance and Insurance	3,090	2,849	10,072	13,162
Educational Services	1,044	815	8,963	10,007
Wholesale Trade	3,427	2,733	5,430	8,857
Manufacturing	2,979	2,064	4,373	7,352
Information	619	522	3,599	4,218
Agriculture, Forestry, and Fishing and Hunting	507	459	2,675	3,182
Utilities	79	49	267	346
Mining, Quarrying, and Oil and Gas Extraction	44	37	74	118
Total	78,292	68,539	339,739	418,031

Tables 1 and 2 display data from the 2016 SUSB. Table 2 includes additional data from the 2016 Nonemployer Statistics (NES). Figure 4 provides estimates of the rate of self-employment among employed civilians, 16 years and over, including both incorporated and unincorporated businesses, from the 2017 American Community Survey (ACS).

References

The Small Business Profiles, source data, and methodology are available at <https://go.usa.gov/xmb5R>.

- ACS American Community Survey, US Census Bureau
- 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
- SUSB Statistics of US Businesses, US Census Bureau