

# 2020 Small Business Profile

## Louisiana

**457,636** Small Businesses  
**99.5%** of Louisiana Businesses

**905,147** Small Business Employees  
**53.6%** of Louisiana Employees



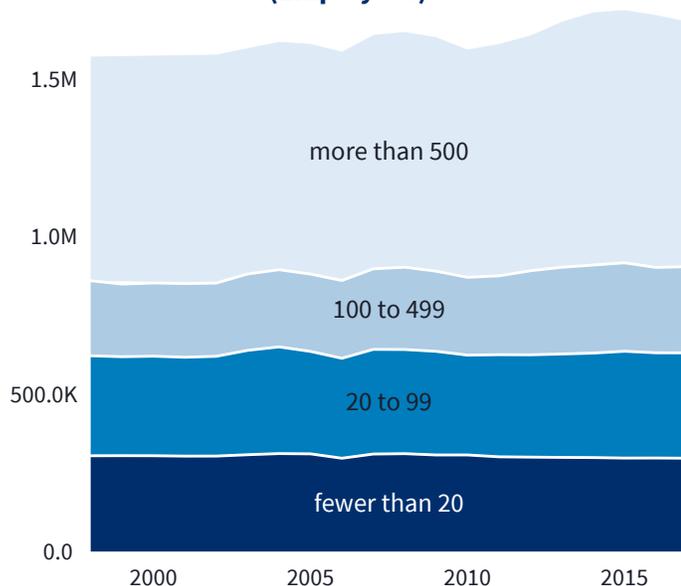
*A note on COVID-19: This report uses the most up-to-date government data to present a unique snapshot of small businesses. The BLS employment estimates capture the early stages of the pandemic. All other sources reflect data collected prior to the pandemic.*

### Overall Economy

- In the fourth quarter of 2019, Louisiana grew at an annual rate of **1.1%**, which was slower than the overall US growth rate of **2.1%**. Louisiana's 2019 overall growth rate of **1.3%** was down from the 2018 rate of **2.6%**. (Source: [BEA](#))
- In April 2020, the unemployment rate was **14.5%**, up from **4.5%** in April 2019. This was below the April 2020 national unemployment rate of **14.7%**. (Source: [CPS](#))

### Employment

**Figure 1: Louisiana Employment by Business Size (Employees)**



- Louisiana small businesses employed **905,147** people, or **53.6%** of the private workforce, in 2017. (Source: [SUSB](#))
- Firms with 20 to 99 employees have the largest share of small business employment. Figure 1 provides further details on firms with employees. (Source: [SUSB](#))
- Private-sector employment decreased **15.8%** during the 12-month period ending in April 2020. This was below the increase of **0.4%** during the prior 12-month period. (Source: [CES](#))
- The number of proprietors increased in 2018 by **2.8%** relative to the previous year. (Source: [BEA](#))
- Small businesses created **8,760** net jobs in 2019. Firms employing fewer than 20 employees experienced the largest gains, adding **10,608** net jobs. The largest losses were in firms employing 100 to 499 employees, which lost **2,638** net jobs. (Source: [BDM](#))

*The Small Business Profiles are produced by the US Small Business Administration's Office of Advocacy (<http://advocacy.sba.gov>). These profiles define small businesses as firms with fewer than 500 employees. Net small business job change, self-employed minorities, and exporter share statistics are based on 2019 Business Employment Dynamics (BDM), 2018 American Community Survey (ACS), and 2018 International Trade Administration (ITA) data, respectively.*

## Income and Finance

- The median income for self-employed individuals at their own incorporated businesses was **\$46,877** in 2018. For self-employed individuals at their own unincorporated firms, median income was **\$22,793**. (Source: [ACS](#))
- The total number of banks decreased by **3** between June 2018 and June 2019 to **116** banks. During the same period, the number of banks with assets under \$1 billion decreased by **4** to **105** banks. (Source: [FDIC](#))
- In 2018, Louisiana lending institutions reporting under the Community Reinvestment Act issued **89,084** loans under \$100,000, a total value of **\$1.2 billion**. (Source: [FFIEC](#))

Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed. The decline in the number of banks with assets under \$1 billion may exceed the change in the total number of banks due to mergers and asset balance changes.

## Self-Employment Demographics

**Figure 2: Louisiana Self-Employment Rates by Gender & Demographic, 2018**

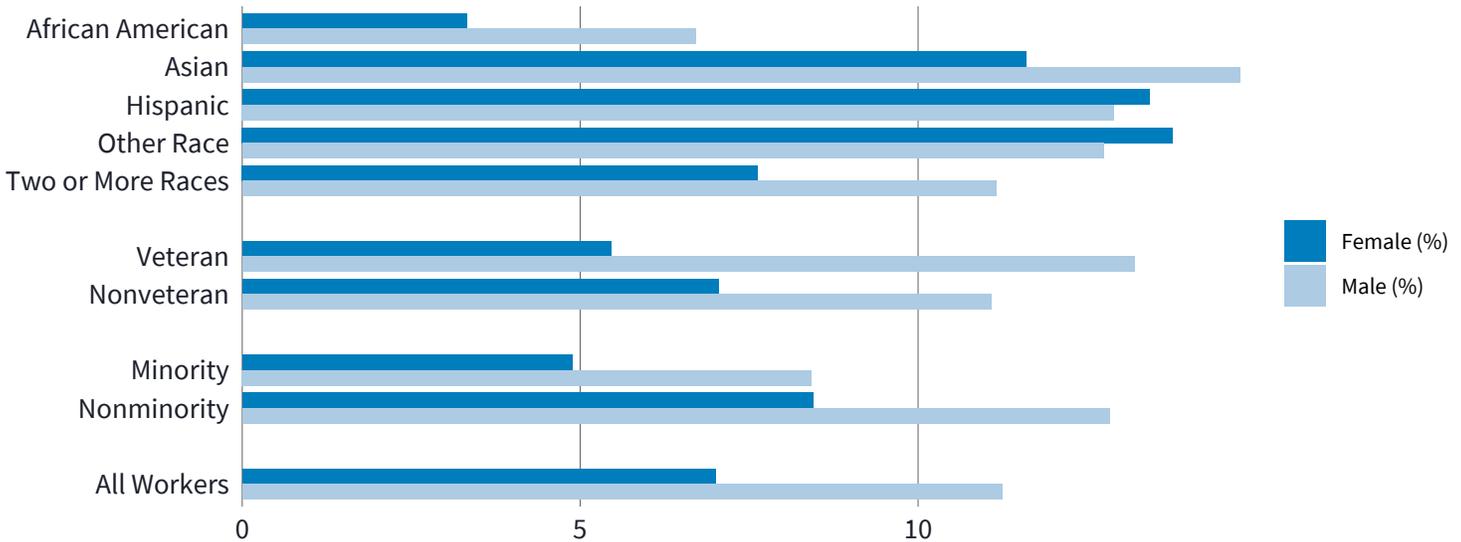
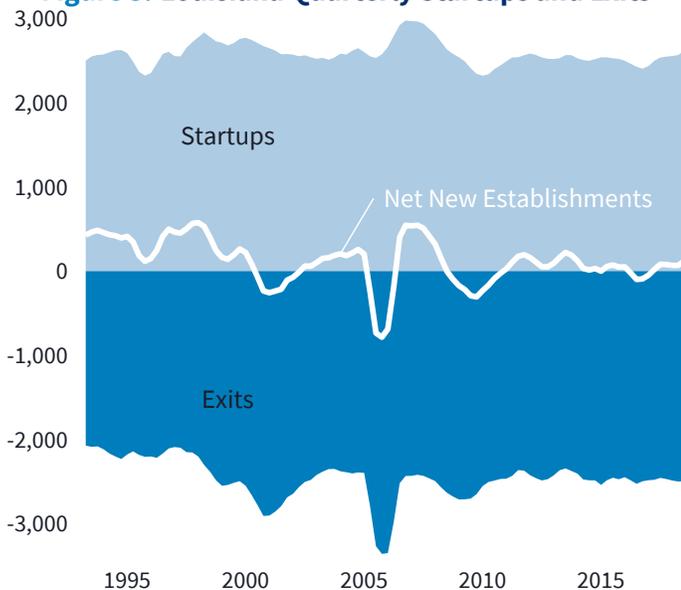


Figure 2 shows the self-employment rate for each demographic group by gender according to the 2018 American Community Survey (ACS). Other Race includes those who selected Alaska Native, American Indian, Native Hawaiian, Pacific Islander, or Some Other Race.

## Turnover among Establishments with Employees

**Figure 3: Louisiana Quarterly Startups and Exits**



- In the fourth quarter of 2018, **2,830** establishments started up, generating **12,016** new jobs in Louisiana. Startups are counted when business establishments hire at least one employee for the first time. (Source: [BDM](#))
- In the same period, **2,248** establishments exited, resulting in **8,607** 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 2018. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: [BDM](#))

The BDM data covers only business establishments with employees. BDM refers to startups as births and exits as deaths. These terms are distinct from the BDM 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

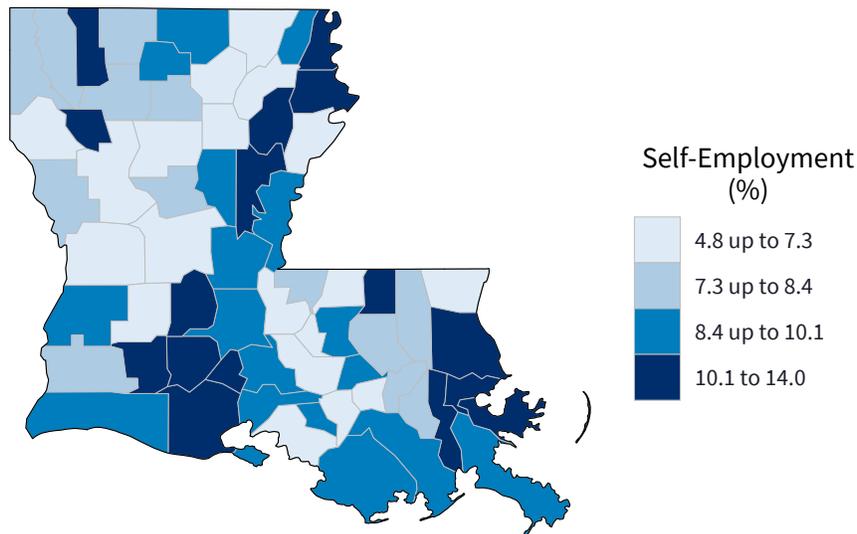
- A total of 3,789 firms exported goods from Louisiana in 2018. Of these, 3,213, or 84.8%, were small firms, which generated 31.1% of Louisiana’s \$61.9 billion in total exports. (Source: ITA)

## Small Business Employment by Industry and Self-Employment by County

**Table 1: Louisiana Employment by Industry, 2017**

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Health Care and Social Assistance	160,187	298,483	53.7
Accommodation and Food Services	126,963	217,928	58.3
Retail Trade	94,094	231,181	40.7
Construction	78,954	136,172	58.0
Professional, Scientific, and Technical Services	68,610	95,230	72.0
Other Services (except Public Administration)	66,198	76,061	87.0
Manufacturing	51,158	116,856	43.8
Administrative, Support, and Waste Management	48,124	104,173	46.2
Wholesale Trade	45,855	73,801	62.1
Finance and Insurance	32,127	65,454	49.1
Transportation and Warehousing	30,162	66,303	45.5
Educational Services	29,149	44,460	65.6
Real Estate and Rental and Leasing	20,619	29,501	69.9
Arts, Entertainment, and Recreation	16,957	25,423	66.7
Mining, Quarrying, and Oil and Gas Extraction	15,275	39,050	39.1
Management of Companies and Enterprises	8,144	29,051	28.0
Information	6,909	24,286	28.4
Agriculture, Forestry, and Fishing and Hunting	3,386	4,006	84.5
Utilities	2,168	11,147	19.4
Industries Not Classified	108	108	100.0
<b>Total</b>	<b>905,147</b>	<b>1,688,674</b>	<b>53.6</b>

**Figure 4: Louisiana Self-Employment Rates by County, 2018**



**Table 2: Louisiana Small Businesses by Industry and Firm Size, 2017**

Industry	1-19 Employees	1-499 Employees	Nonemployer Firms	Total Small Firms
Other Services (except Public Administration)	8,250	8,969	66,376	75,345
Professional, Scientific, and Technical Services	9,918	10,740	40,873	51,613
Construction	7,015	7,916	38,955	46,871
Health Care and Social Assistance	8,054	9,732	34,872	44,604
Administrative, Support, and Waste Management	3,327	3,932	39,340	43,272
Real Estate and Rental and Leasing	3,335	3,615	36,390	40,005
Retail Trade	8,770	9,914	27,359	37,273
Transportation and Warehousing	2,214	2,651	24,966	27,617
Arts, Entertainment, and Recreation	1,158	1,380	16,585	17,965
Accommodation and Food Services	5,250	7,144	8,309	15,453
Finance and Insurance	3,354	3,680	11,510	15,190
Agriculture, Forestry, and Fishing and Hunting	533	566	8,742	9,308
Educational Services	757	1,117	8,062	9,179
Wholesale Trade	2,720	3,584	4,422	8,006
Manufacturing	1,962	2,629	4,427	7,056
Mining, Quarrying, and Oil and Gas Extraction	808	1,037	3,614	4,651
Information	492	621	3,484	4,105
Utilities	164	183	207	390
<b>Total</b>	<b>68,148</b>	<b>79,143</b>	<b>378,493</b>	<b>457,636</b>

Tables 1 and 2 display data from the 2017 Statistics of U.S. Businesses (SUSB). Table 2 includes additional data from the 2017 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 2018 American Community Survey (ACS).

**References**

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

- ACS American Community Survey, 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
- CES Current Employment Statistics, BLS
- CPS Current Population Survey, BLS
- FDIC 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