

2018 SMALL BUSINESS PROFILE

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

SOUTH CAROLINA

406,536 Small Businesses
99.4% of South Carolina Businesses

777,012 Small Business Employees
46.7% of South Carolina Employees



EMPLOYMENT
29,867
net new jobs



DIVERSITY
83,201
minority-owned
businesses



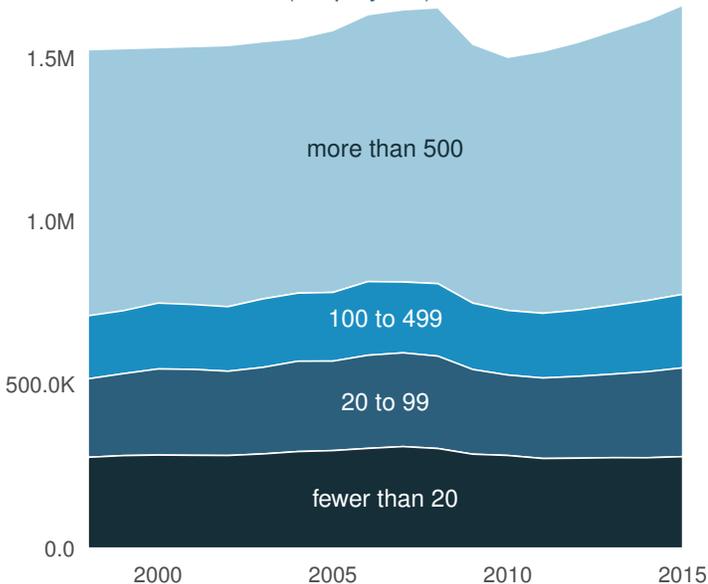
TRADE
5,158
small business
exporters

OVERALL SOUTH CAROLINA ECONOMY

- In the third quarter of 2017, 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 2016 growth rate of **1.8%** was down from the 2015 rate of **3.1%**. (Source: [BEA](#))
- In January 2018, the unemployment rate was **4.3%**, down from **4.5%** in January 2017. This was above the January 2018 national unemployment rate of **4.1%**. (Source: [CPS](#))

EMPLOYMENT

Figure 1: South Carolina Employment by Business Size (Employees)



- South Carolina small businesses employed **777,012** people, or **46.7%** 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 **1.0%** during the 12-month period ending in January 2018. This was below the increase of **1.7%** 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 **29,867** net jobs in 2015. Firms employing fewer than 20 employees experienced the largest gains, adding **15,828** net jobs. The smallest gains were in firms employing 100 to 499 employees, which added **6,371** 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 3 between June 2016 and June 2017 to 55 banks. (Source: FDIC)
- In 2016, 64,122 loans under \$100,000 (valued at \$980.3 million) 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 \$45,199 in 2016. For individuals self-employed at their own unincorporated firms, this figure was \$20,649. (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, 2015

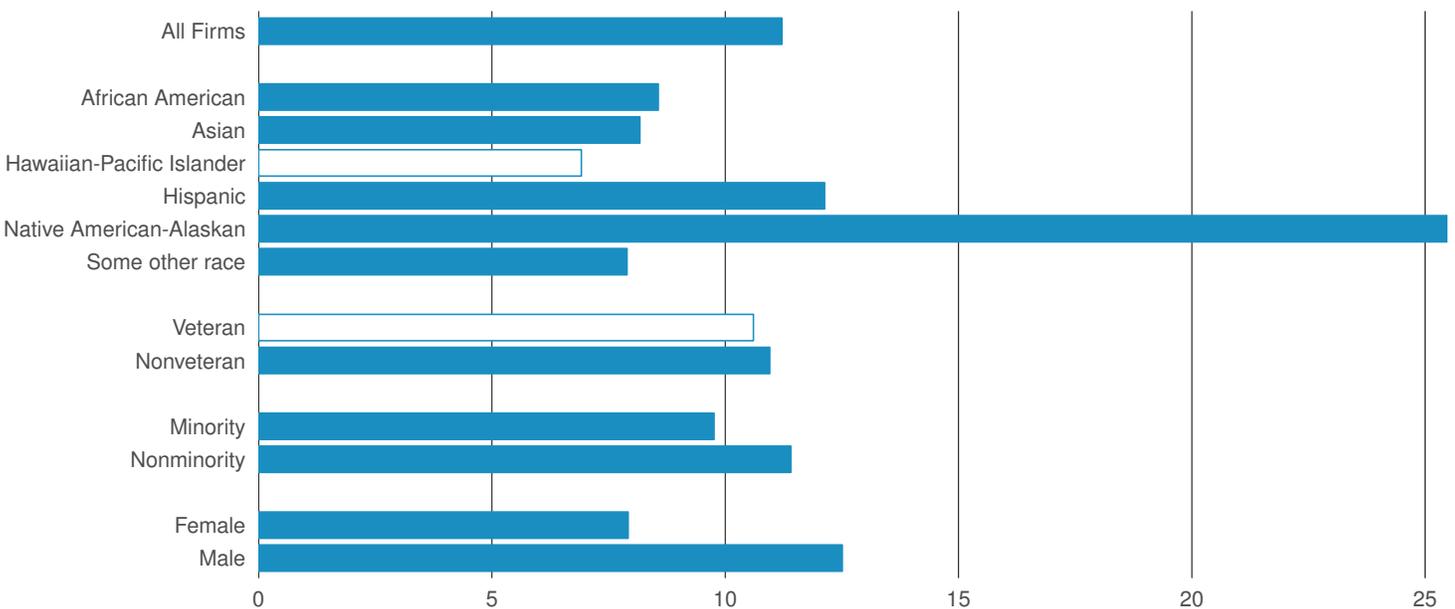
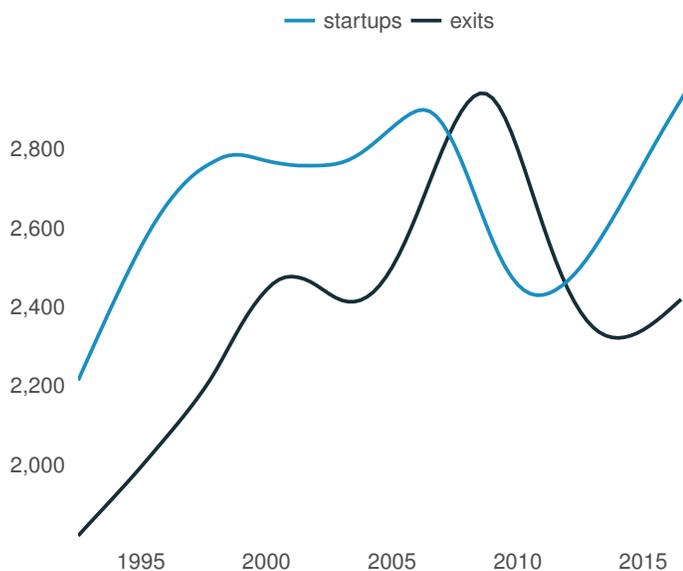


Figure 2 shows the average number of employees per employer business by owner's demographic group according to the Annual Survey of Entrepreneurs (ASE). Unshaded bars display US values; data were withheld because they do not meet Census Bureau publication standards or could disclose information regarding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

TURNOVER AMONG ESTABLISHMENTS WITH EMPLOYEES

Figure 3: South Carolina Quarterly Startups and Exits



- In the third quarter of 2016, 2,769 establishments started up, generating 12,127 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, 2,615 establishments exited resulting in 9,061 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

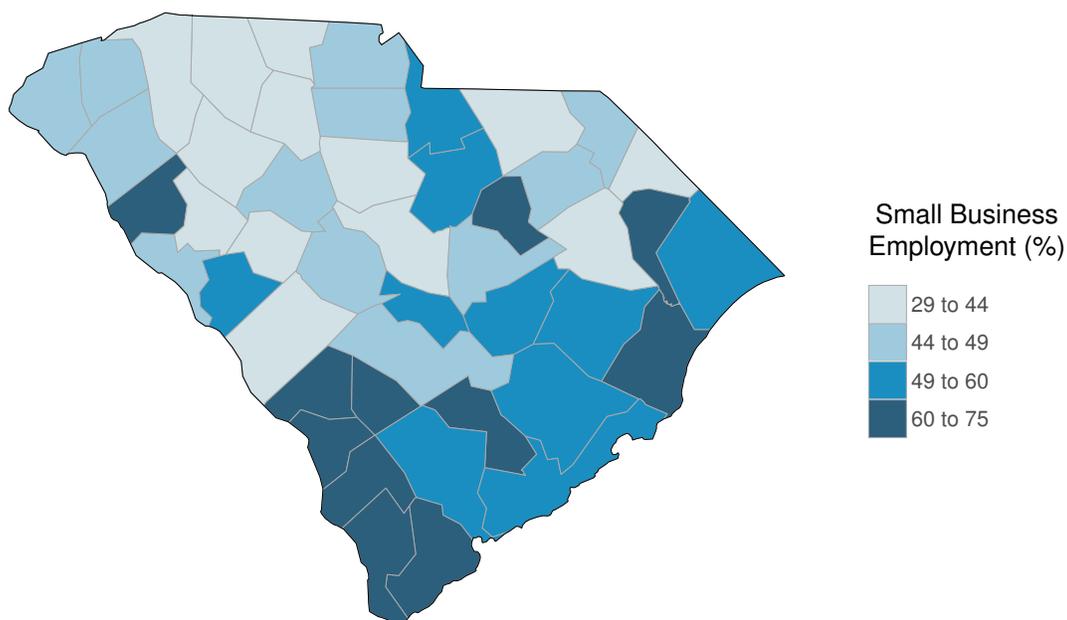
- A total of 6,119 companies exported goods from South Carolina in 2015. Of these, 5,158, or 84.3%, were small firms; they generated 10.3% of South Carolina's \$29.4 billion in total exports. (Source: ITA)

SMALL BUSINESS EMPLOYMENT BY INDUSTRY AND COUNTY

Table 1: South Carolina Employment by Industry, 2015

 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Accommodation and Food Services	133,124	207,690	64.1
Health Care and Social Assistance	103,507	224,365	46.1
Retail Trade	74,608	236,944	31.5
Manufacturing	73,947	224,665	32.9
Other Services (except Public Administration)	70,787	79,254	89.3
Construction	64,059	75,682	84.6
Administrative, Support, and Waste Management	53,278	172,442	30.9
Professional, Scientific, and Technical Services	52,852	82,841	63.8
Wholesale Trade	37,521	73,764	50.9
Finance and Insurance	22,206	67,755	32.8
Arts, Entertainment, and Recreation	20,744	26,284	78.9
Real Estate and Rental and Leasing	17,940	24,990	71.8
Transportation and Warehousing	16,823	57,916	29.0
Educational Services	16,819	32,229	52.2
Information	7,081	33,880	20.9
Management of Companies and Enterprises	4,635	24,483	18.9
Agriculture, Forestry, and Fishing and Hunting	3,659	3,900	93.8
Utilities	2,630	11,836	22.2
Mining, Quarrying, and Oil and Gas Extraction	454	993	45.7
Industries not classified	338	338	100.0
Total	777,012	1,662,251	46.7

Figure 4: South Carolina Small Business Employment by County, 2015



SMALL BUSINESSES BY INDUSTRY

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

Industry	1-499 Employees	1-20 Employees	Nonemployer Firms	Total Small Firms
Other Services (except Public Administration)	10,477	9,715	59,571	70,048
Retail Trade	10,034	9,173	28,266	38,300
Professional, Scientific, and Technical Services	9,100	8,468	38,237	47,337
Construction	8,853	8,113	36,015	44,868
Health Care and Social Assistance	7,354	6,218	23,787	31,141
Accommodation and Food Services	7,325	5,411	5,701	13,026
Administrative, Support, and Waste Management	4,759	4,180	34,574	39,333
Real Estate and Rental and Leasing	3,984	3,738	37,347	41,331
Wholesale Trade	3,521	2,805	5,505	9,026
Finance and Insurance	3,055	2,810	9,868	12,923
Manufacturing	2,994	2,080	4,365	7,359
Transportation and Warehousing	1,930	1,650	15,295	17,225
Arts, Entertainment, and Recreation	1,445	1,181	15,723	17,168
Educational Services	1,042	820	8,770	9,812
Information	588	486	3,451	4,039
Agriculture, Forestry, and Fishing and Hunting	501	457	2,612	3,113
Utilities	75	44	254	329
Mining, Quarrying, and Oil and Gas Extraction	44	38	90	134
Total	77,105	67,614	329,431	406,536

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