

SMALL BUSINESS PROFILE

U.S. SMALL BUSINESS ADMINISTRATION

OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

SOUTH CAROLINA




384,274
96.9% Small Businesses
of South Carolina Businesses

743,262
46.9% Small Business Employees
of South Carolina Employees

743,262
46.9% Small Business Employees
of South Carolina Employees



EMPLOYMENT
17,585
net new jobs¹



DIVERSITY
44.6%
increase in minority
ownership²



TRADE
84.8%
of South Carolina
exporters³

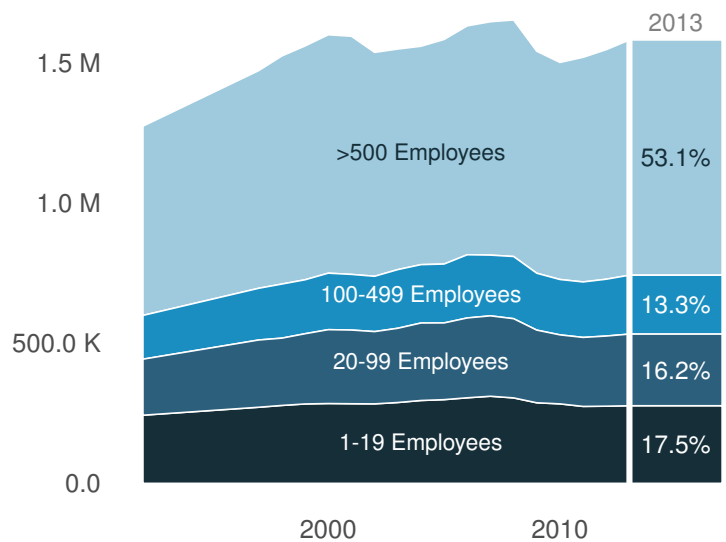
OVERALL SOUTH CAROLINA ECONOMY

- In the third quarter of 2015, South Carolina grew at an annual rate of 2.6% which was faster than the overall US growth rate of 1.9%. By comparison, South Carolina's 2014 growth of 4.4% was up from the 2013 level of 3.2%. (Source: BEA)
- The employment situation in South Carolina improved. At the close of 2015, unemployment was 5.5%, down from 6.6% at the close of 2014. This was above the national unemployment rate of 5.0%. (Source: CPS)

EMPLOYMENT

- South Carolina small businesses employed 743,262 people, or 46.9% of the private workforce, in 2013. (Source: SUSB)
- Firms with fewer than 100 employees have the largest share of small business employment. See Figure 1 for further details on firms with employees. (Source: SUSB)
- Private-sector employment increased 3.8% in 2015. This was above the previous year's increase of 2.7%. (Source: CES)
- The number of proprietors increased in 2014 by 1.2% relative to the previous year. (Source: BEA)
- Small businesses created 17,585 net jobs in 2013. Among the seven BDS size-classes, firms employing 100 to 249 employees experienced the largest gains, adding 6,719 net jobs. The smallest gains were in firms employing 1 to 4 employees which added 573 net jobs. (Source: BDS)

Figure 1: South Carolina Employment by Firm Size



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 as firms employing fewer than 500 employees.** Hyperlinks to data sources and report generation information are provided in Table 3.

^{1,3} Net small business jobs change and exporter share are based on newly released 2013 BDS and 2012 ITA data.

² Diversity statistic tracks changes between 2007 and 2012 based on the Survey of Business Owners (SBO) 2015 release.

INCOME AND FINANCE

- The number of banks reported in the Call Reports between June 2014 and June 2015 declined. (Source: FDIC)
- In 2014, 57,877 loans under \$100,000 (and valued at \$850.3 million) were issued by South Carolina lending institutions reporting under the Community Reinvestment Act. (Source: FFIEC)
- The median income⁴ for individuals who were self-employed at their own incorporated businesses was \$44,790 in 2014. For individuals self-employed at their own unincorporated firms, this figure was \$20,751. (Source: ACS)

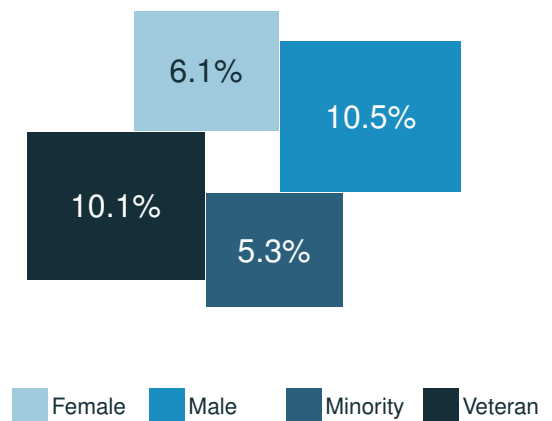
⁴ Median income represents earnings from all sources. Unincorporated self-employment income includes unpaid family workers, a very small percent of the unincorporated self-employed.

BUSINESS OWNER DEMOGRAPHICS

Figure 2: South Carolina Changes in Business Ownership by Demographic Group

African American-owned	●	41.4%
Asian-owned	●	42.6%
Hawaiian/Pacific Islander-owned	○	-10.3%
Hispanic-owned	●	71.9%
Native American/Alaskan-owned	●	43.0%
Minority-owned	●	44.6%
Nonminority-owned	○	-4.0%

Figure 3: South Carolina Self-Employment within Demographic Group

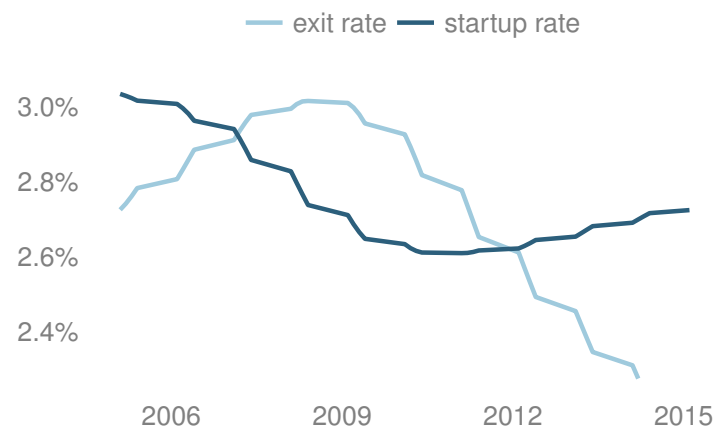


- Figure 2 displays the change in overall firm ownership for each demographic group from 2007 to 2012 based on the Survey of Business Owners (SBO) for South Carolina, released in December 2015.
- Figure 3 displays the percent of each demographic group identified as self-employed according to the 2014 American Community Survey (ACS) 5-year estimates.

BUSINESS TURNOVER

- In the second quarter of 2014, 2,515 establishments started up⁵ in South Carolina and 2,534 exited.⁶ Startups generated 10,484 new jobs while exits caused 9,332 job losses. (Source: BDM)
- Figure 4 displays startup and exit rates from 2005 to 2015. Each series is smoothed across multiple quarters to highlight long-run trends. (Source: BDM)

Figure 4: South Carolina Private Startup and Exit Rates



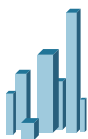




⁵ **STARTUPS** are counted when business establishments hire at least one employee for the first time. The BLS terms these **births**, as distinct from the BLS **openings** category which includes seasonal re-openings.

⁶ **EXITS** occur when establishments go from having at least one employee to having none, and then remain closed for at least a year. The BLS terms these events **deaths**, as distinct from the **closings** category which includes seasonal shutterings.

- A total of 5,832 companies exported goods from South Carolina in 2013. Among these, 4,948, or 84.8%, were small firms; they generated 14.1% of South Carolina's total known export value. (Source: ITA)

SMALL BUSINESSES BY INDUSTRY

Table 1: South Carolina Small Firms by Industry, 2013
(sorted by small employer firms)

				
Industry	1 – 499 Employees	1 – 19 Employees	Nonemployer Firms	Total Small Firms
Other Services (except Public Administration)	10,319	9,592	57,468	67,787
Retail Trade	10,144	9,299	26,741	36,885
Professional, Scientific, and Technical Services	8,847	8,259	34,874	43,721
Construction	8,520	7,871	34,622	43,142
Health Care and Social Assistance	7,309	6,237	22,030	29,339
Accommodation and Food Services	7,149	5,413	5,254	12,403
Administrative, Support, and Waste Management	4,574	4,014	33,178	37,752
Real Estate and Rental and Leasing	3,659	3,429	34,995	38,654
Wholesale Trade	3,641	2,931	5,207	8,848
Manufacturing	3,051	2,182	4,120	7,171
Finance and Insurance	2,969	2,725	9,775	12,744
Transportation and Warehousing	1,858	1,568	12,307	14,165
Arts, Entertainment, and Recreation	1,398	1,122	14,515	15,913
Educational Services	1,017	820	7,488	8,505
Information	574	468	3,283	3,857
Agriculture, Forestry, Fishing and Hunting	486	446	2,571	3,057
Utilities	79	47	228	307
Mining, Quarrying, and Oil and Gas Extraction	45	36	90	135
Total	75,639	66,459	308,746	384,385

Totals for Tables 1 and 2 differ from SUSB's statewide tallies due to firms with establishments in more than one industry and the omission of industry classifications not reported by NES. (Source: NES and SUSB)

s Indicates samples deemed too small to represent the population according to SUSB.

Table 2: South Carolina Employment by Industry and Firm Size, 2013
(sorted by small firm employment)

Industry	Small Business Employment	Total Private Employment	Small Business Employment Share
Accommodation and Food Services	122,584	191,082	64.2%
Health Care and Social Assistance	99,489	218,379	45.6%
Retail Trade	72,911	223,958	32.6%
Manufacturing	71,730	214,541	33.4%
Other Services (except Public Administration)	70,186	79,359	88.4%
Construction	58,161	68,067	85.4%
Administrative, Support, and Waste Management	51,451	162,511	31.7%
Professional, Scientific, and Technical Services	50,278	81,697	61.5%
Wholesale Trade	36,831	66,633	55.3%
Finance and Insurance	21,847	67,543	32.3%
Arts, Entertainment, and Recreation	20,462	25,025	81.8%
Real Estate and Rental and Leasing	16,815	23,714	70.9%
Transportation and Warehousing	16,489	52,756	31.3%
Educational Services	15,858	30,548	51.9%
Information	7,250	34,328	21.1%
Agriculture, Forestry, Fishing and Hunting	3,632	3,776	96.2%
Utilities	2,498	11,816	21.1%
Mining, Quarrying, and Oil and Gas Extraction	466	1,018	45.8%
Total	738,938	1,556,751	47.5%

Figure 5: South Carolina County-Level Job Changes, 2015 (CEW)

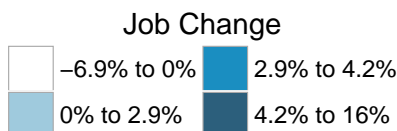
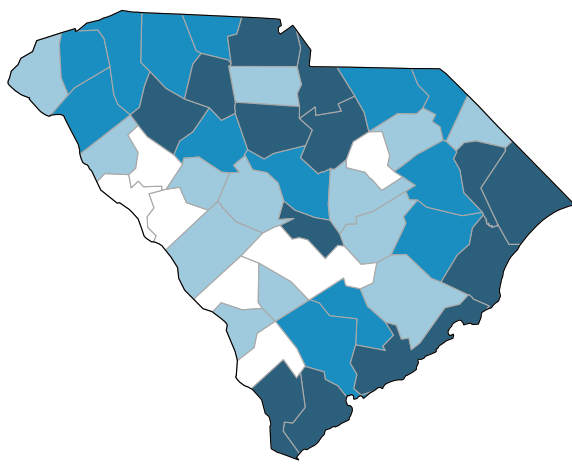


Table 3: Abbreviations and Resources

ACS	American Community Survey, US Census Bureau
BEA	Bureau of Economic Analysis
BDM	Business Employment Dynamics, BLS
BDS	Business Dynamics Statistics, US Census Bureau
BLS	Bureau of Labor Statistics, US Department of Labor
CES	Current Employment Statistics, BLS
CEW	Census of Employment and Wages, BLS
CPS	Current Population Survey, BLS
FDIC	Federal Deposit Insurance Corporation
FFIEC	Federal Financial Institutions Examination Council
ITA	International Trade Administration
NES	Nonemployer Statistics, US Census Bureau
SBO	Survey of Business Owners, US Census Bureau
SUSB	Statistics of US Businesses, US Census Bureau

All profiles, source data, methodology notes, and county-level employment statistics are available at <http://go.usa.gov/cfKMd>

