

2020 Small Business Profile

U.S. SMALL BUSINESS ADMINISTRATION
OFFICE OF ADVOCACY

REGULATION • RESEARCH • OUTREACH

South Carolina



431,835 Small Businesses
99.4% of South Carolina Businesses

817,008 Small Business Employees
43.8% of South Carolina Employees



EMPLOYMENT
44,307
net new jobs



DIVERSITY
57,623
self-employed
minorities



TRADE
5,661
small business
exporters

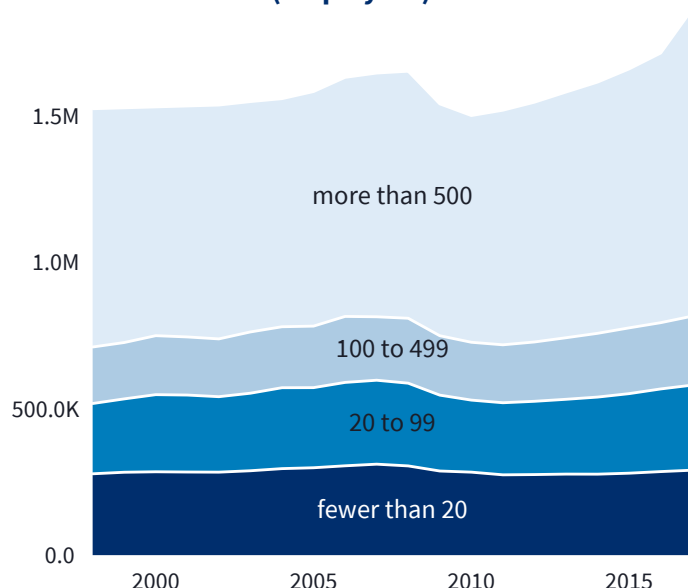
A note on COVID-19: This report uses the most up-to-date government data to present a unique snapshot of small businesses. The BLS employment estimates capture the early stages of the pandemic. All other sources reflect data collected prior to the pandemic.

Overall Economy

- In the fourth quarter of 2019, South Carolina grew at an annual rate of **2.5%**, which was faster than the overall US growth rate of **2.1%**. South Carolina's 2019 overall growth rate of **3.0%** was up from the 2018 rate of **2.6%**. (Source: [BEA](#))
- In April 2020, the unemployment rate was **12.1%**, up from **3.3%** in April 2019. This was below the April 2020 national unemployment rate of **14.7%**. (Source: [CPS](#))

Employment

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



- South Carolina small businesses employed **817,008** people, or **43.8%** 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 **13.6%** during the 12-month period ending in April 2020. This was below the increase of **1.5%** 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 **44,307** net jobs in 2019. Firms employing fewer than 20 employees experienced the largest gains, adding **25,011** net jobs. The smallest gains were in firms employing 20 to 99 employees, which added **8,994** 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 **\$50,386** in 2018. For self-employed individuals at their own unincorporated firms, median income was **\$22,550**. (Source: [ACS](#))
- The total number of banks decreased by **5** between June 2018 and June 2019 to **47** banks. During the same period, the number of banks with assets under \$1 billion decreased by **5** to **42** banks. (Source: [FDIC](#))
- In 2018, South Carolina lending institutions reporting under the Community Reinvestment Act issued **79,529** loans under \$100,000, a total value of **\$1.3 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.

Self-Employment Demographics

Figure 2: South Carolina Self-Employment Rates by Gender & Demographic, 2018

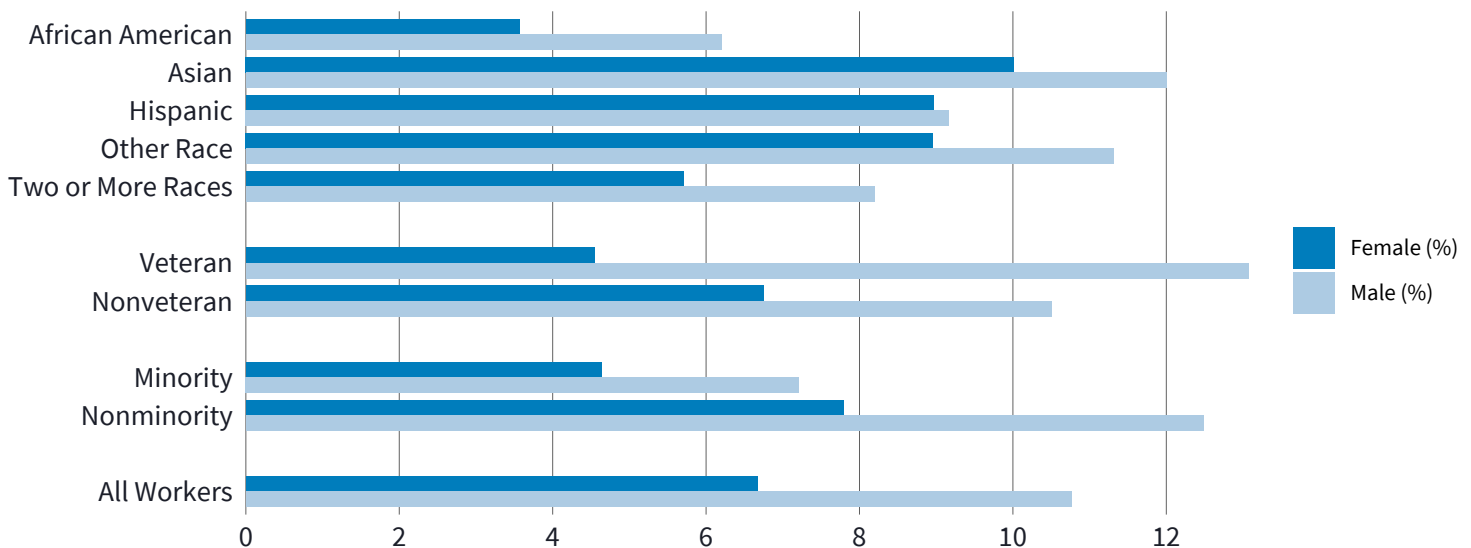
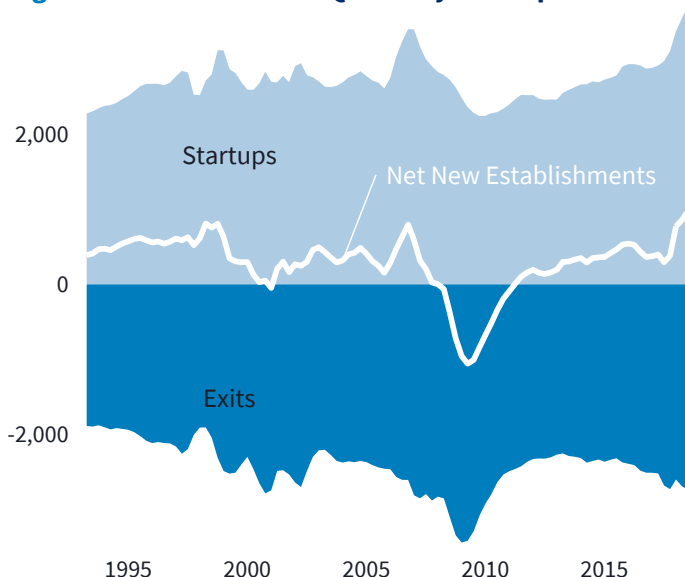


Figure 2 shows the self-employment rate for each demographic group by gender according to the 2018 American Community Survey (ACS). Other Race includes those who selected Alaska Native, American Indian, Native Hawaiian, Pacific Islander, or Some Other Race.

Turnover among Establishments with Employees

Figure 3: South Carolina Quarterly Startups and Exits



- In the fourth quarter of 2018, **4,548** establishments started up, generating **16,667** 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, **3,262** establishments exited, resulting in **11,533** 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 6,688 firms exported goods from South Carolina in 2018. Of these, 5,661, or 84.6%, were small firms, which generated 10.2% of South Carolina's \$31.9 billion in total exports. (Source: ITA)

Small Business Employment by Industry and Self-Employment by County

Table 1: South Carolina Employment by Industry, 2017





 Industry	 Small Business Employment	 Total Private Employment	 Small Business Employment Share
Accommodation and Food Services	144,632	225,634	64.1
Health Care and Social Assistance	108,261	242,039	44.7
Retail Trade	78,126	247,322	31.6
Other Services (except Public Administration)	73,286	83,204	88.1
Construction	72,238	84,217	85.8
Manufacturing	71,608	231,872	30.9
Professional, Scientific, and Technical Services	57,789	96,033	60.2
Administrative, Support, and Waste Management	55,858	275,912	20.2
Wholesale Trade	37,356	72,284	51.7
Arts, Entertainment, and Recreation	22,861	28,105	81.3
Finance and Insurance	21,301	72,413	29.4
Transportation and Warehousing	18,175	61,960	29.3
Educational Services	17,968	32,415	55.4
Real Estate and Rental and Leasing	17,817	25,932	68.7
Information	7,660	41,439	18.5
Management of Companies and Enterprises	4,688	27,418	17.1
Agriculture, Forestry, and Fishing and Hunting	3,849	4,075	94.5
Utilities	2,664	12,413	21.5
Mining, Quarrying, and Oil and Gas Extraction	735	1,628	45.1
Industries Not Classified	136	136	100.0
Total	817,008	1,866,451	43.8

Figure 4: South Carolina Self-Employment Rates by County, 2018

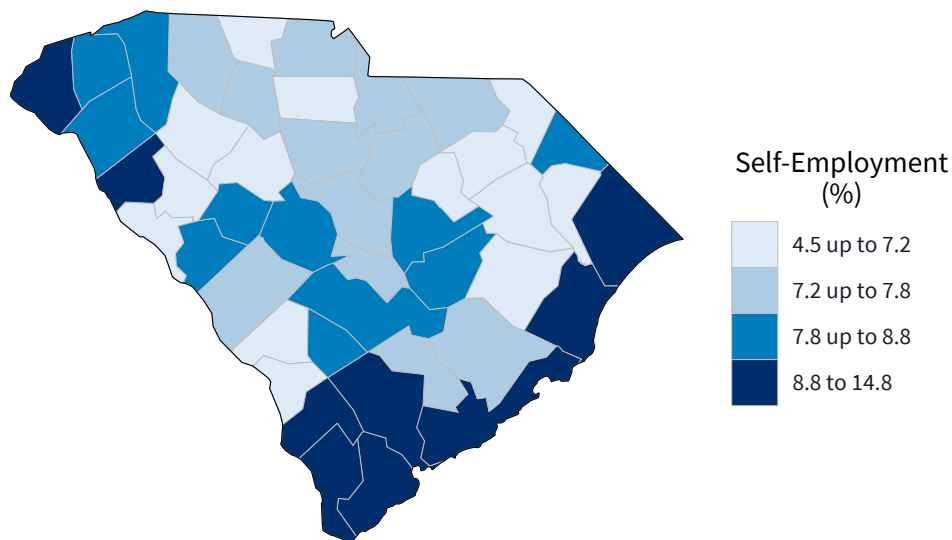







Table 2: South Carolina Small Businesses by Industry and Firm Size, 2017

 Industry	 1–19 Employees	 1–499 Employees	 Nonemployer Firms	 Total Small Firms
Other Services (except Public Administration)	9,979	10,763	60,661	71,424
Professional, Scientific, and Technical Services	8,933	9,637	40,594	50,231
Construction	8,730	9,588	37,394	46,982
Real Estate and Rental and Leasing	4,250	4,484	40,174	44,658
Administrative, Support, and Waste Management	4,377	4,998	36,718	41,716
Retail Trade	9,157	10,113	31,176	41,289
Health Care and Social Assistance	6,357	7,572	24,142	31,714
Transportation and Warehousing	1,735	2,047	20,774	22,821
Arts, Entertainment, and Recreation	1,231	1,530	17,279	18,809
Accommodation and Food Services	5,587	7,733	6,122	13,855
Finance and Insurance	2,886	3,140	10,189	13,329
Educational Services	842	1,075	9,626	10,701
Wholesale Trade	2,773	3,478	5,273	8,751
Manufacturing	2,101	2,998	4,408	7,406
Information	563	676	3,730	4,406
Agriculture, Forestry, and Fishing and Hunting	486	532	2,939	3,471
Utilities	57	88	169	257
Mining, Quarrying, and Oil and Gas Extraction	38	48	85	133
Total	70,180	80,382	351,453	431,835

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