

## North Carolina

North Carolina's 173,409 small employers and 644,873 nonemployers make significant contributions to the state's economy, and they bring innovative products and services to the marketplace.\* They are an important source of employment and opportunity throughout the state. This profile by the Office of Advocacy uses the latest statistics to describe the small business contribution in the greatest possible detail. (Note: A small business is defined as one with fewer than 500 employees.)

- North Carolina's real gross state product increased by 0.1% and private-sector employment decreased by 0.9% in 2008. By comparison, real GDP growth in the United States was 0.7% and private-sector employment declined by 0.7%.

- The health care and social assistance industry was the state's largest small business employer in 2006; manufacturing was the largest overall employer (Table 1).

- Small businesses are a major force in the state's net job change, as shown in Table 2.

- The number of small employers in North Carolina was 173,409 in 2006, accounting for 98.1% of the state's employers and 48.6% of its private-sector employment. (Source: U.S. Dept. of Commerce: Bureau of the Census.)

### For Further Information

- Data on all states and territories is available at [www.sba.gov/advo/research/profiles](http://www.sba.gov/advo/research/profiles).

- For other small business data and analysis, visit [www.sba.gov/advo/research](http://www.sba.gov/advo/research), call (202) 205-6533, or email [advocacy@sba.gov](mailto:advocacy@sba.gov).

- Visit <http://web.sba.gov/list> to subscribe to listservs for Advocacy's newsletter, press releases, regulatory news, and research reports.

- For RSS feeds, visit [www.sba.gov/advo/rsslibrary.html](http://www.sba.gov/advo/rsslibrary.html)

\* Small employer data from 2006; nonemployer from 2007.

### North Carolina Small Business Facts

	2007†	2006	2000
<b>Number of Businesses</b>			
Small employers (<500 employees)	n.a.	173,409	160,311
Large employers (500+ employees)	n.a.	3,406	3,332
Nonemployers	644,873	604,618	462,182
	2002‡	% Share in 2002	% Change 1997–2002
<b>Business Owner Demographics</b>			
Male-owned	377,276	58.7	16.0
Woman-owned	173,874	27.1	24.3
Equally male/female-owned	71,542	11.1	-24.6
African American-owned	52,122	8.1	30.6
Asian-owned	13,695	2.1	73.5
Hispanic-owned	9,043	1.4	24.4
Native American/Alaskan-owned	5,971	0.9	n.a.
Hawaiian and Pacific Islander-owned	191	0.0	22.4
	2008‡	% Change from 2007 2000	
<b>Workforce (Thousands) /Unemployment (%)</b>			
Private-sector employment	3,360	-0.9	3.1
Government employment	686	1.7	13.7
Self-employed (incorp. & uninc.)	473	-9.1	10.7
Female self-employment	155	-6.8	9.4
Male self-employment	318	-10.2	11.4
Minority self-employment	66	-5.1	18.5
Veteran self-employment	53	-16.6	-17.8
Unemployment rate (%)	6.3	1.6	2.6
<b>Business Turnover</b>			
Quarterly establishment openings	42,989	-7.7	17.3
Quarterly establishment closings	46,286	11.6	27.7
Business bankruptcies	931	55.9	109.2
	2008‡	2007	2000
<b>Income and Finance</b>			
Proprietors' income (\$billion)	19.4	19.8	15.8
Number of bank branches	2,746	2,676	2,448
No. of bus. loans under \$100,000‡	n.a.	314,203	139,921
Total value of business loans under \$100,000 (\$million)‡	n.a.	3,718	2,081

Source: U.S. Dept. of Commerce, Bureau of the Census and Bureau of Economic Analysis; U.S. Dept. of Labor, Bureau of Labor Statistics; Administrative Office of the U.S. Courts; Federal Deposit Insurance Corporation; and U.S. Small Business Administration, Office of Advocacy ([www.sba.gov/advo/research/sbl\\_08study.pdf](http://www.sba.gov/advo/research/sbl_08study.pdf), Table 4b.) n.a. not available.

† Latest available data; certain figures are economywide. ‡ Data are for CRA loans.

**Table 1. Firms and Employment in North Carolina by Industry and Firm Size, 2006 and 2007  
(Nonfarm, Thousands)**

Industry	Nonemployer Firms (2007)	Employer Firms (2006)			Employment (2006)		
		Total	1-19 Employees	1-499 Employees	Total	1-19 Employees	1-499 Employees
Total	644.9	176.8	153.4	173.4	3,524.8	632.9	1,713.1
Forestry, etc. and agriculture support	7.7	0.9	0.8	0.9	(D)	3.5	(D)
Mining	0.2	0.1	0.1	0.1	3.4	0.5	(D)
Utilities	0.6	0.1	0.1	0.1	19.8	0.4	3.6
Construction	100.8	27.6	25.2	27.4	242.1	100.6	207.3
Manufacturing	9.8	8.9	5.8	8.2	535.7	32.6	187.3
Wholesale trade	11.2	9.9	7.6	9.3	170.3	32.4	97.3
Retail trade	57.8	22.7	20.1	22.2	467.1	85.4	181.3
Transportation and warehousing	27.5	5.1	4.2	4.8	118.2	14.6	42.9
Information	7.4	1.7	1.3	1.6	74.8	5.2	17.8
Finance and insurance	20.2	6.7	5.9	6.3	185.3	18.8	42.9
Real estate and rental and leasing	72.9	8.6	8.1	8.5	54.9	19.1	38.2
Professional, scientific, and technical svcs.	75.1	20.5	18.7	20.1	196.3	60.7	123.0
Management of companies and enterprises	--	0.9	0.1	0.5	71.9	0.3	9.0
Admin., support, waste mgt., remed. svcs.	62.5	9.8	8.3	9.4	278.5	32.3	104.6
Educational services	15.2	2.0	1.6	1.9	78.0	6.6	33.2
Health care and social assistance	41.7	16.3	13.4	16.0	488.0	73.6	243.1
Arts, entertainment, and recreation	28.5	3.2	2.6	3.1	51.4	10.3	40.5
Accommodation and food services	7.5	12.9	9.7	12.6	331.4	58.2	199.4
Other services (except public admin.)	98.2	20.6	19.1	20.5	151.6	76.8	134.5
Unclassified	--	0.8	0.8	0.8	(D)	0.9	(D)

Source: U.S. Dept. of Commerce, Bureau of the Census, Statistics of U.S. Businesses. (See [www.sba.gov/advo/research/data.html](http://www.sba.gov/advo/research/data.html) for data from other years, and for starts, closures, job creation and destruction by industry and by size category.)

(D) Data suppressed to protect the confidentiality of individual firms.

**Table 2: Net Job Change by Firm Size, 2003–2006 (Nonfarm)**

	Total Net New Jobs	Employment Size of Firm						
		1-4	5-9	10-19	20-99	100-499	<500	500+
2003 - 2004	21,218	29,837	11,775	10,286	10,525	-5,864	56,559	-35,341
2004 - 2005	48,872	24,990	4,830	188	-10,019	6,778	26,767	22,105
2005 - 2006	114,164	31,414	9,942	10,822	17,385	13,194	82,757	31,407

Source: U.S. Dept. of Commerce, Bureau of the Census. (For more detailed data see [www.sba.gov/advo/research/data.html](http://www.sba.gov/advo/research/data.html).)

**Table 3: Establishment and Employment Turnover by Quarter, 2008 (Nonfarm, Thousands)**

	Establishments				Employment Change Due To:			
	Openings	Expansions	Contractions	Closings	Openings	Expansions	Contractions	Closings
Quarter 1	10.9	45.8	48.7	11.5	51.8	170.3	180.6	40.5
Quarter 2	9.8	43.7	51.1	11.5	40.6	166.8	192.4	45.4
Quarter 3	11.1	42.4	49.2	11.2	47.1	159.0	196.9	43.2
Quarter 4	11.3	40.4	53.1	12.1	44.6	154.8	220.9	46.1

Source: U.S. Dept. of Labor, Bureau of Labor Statistics, Business Employment Dynamics. (For more detailed data see [www.bls.gov/bdm/home.htm](http://www.bls.gov/bdm/home.htm).)

Note: These figures contain all firm sizes; Census data from 2006 show that 86 percent of establishment births and deaths were in firms with fewer than 500 employees.