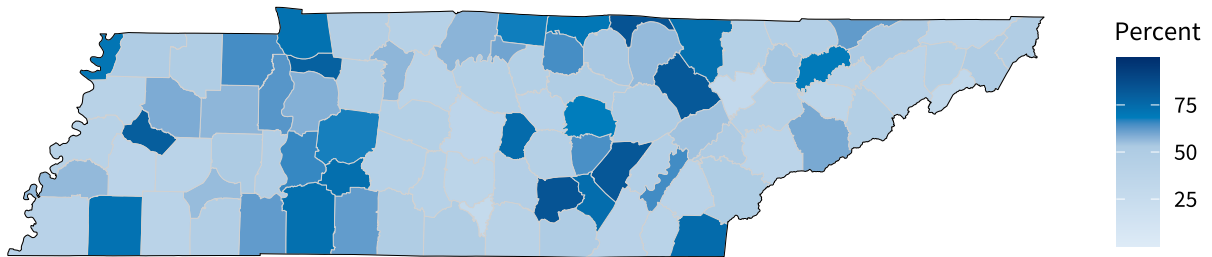


Tennessee

652,795 small businesses
99.5 percent of Tennessee businesses

1.2 million small business employees
42.2 percent of Tennessee employees



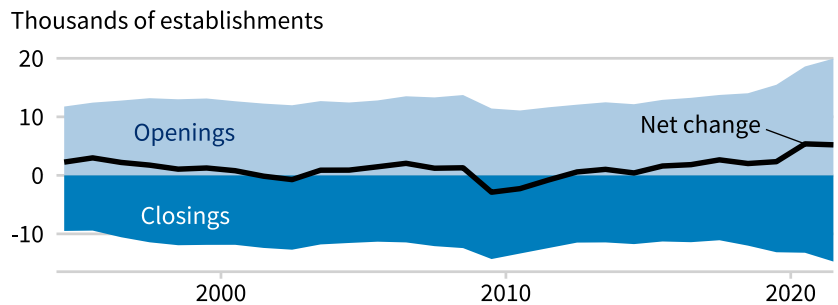
Share of employees working at small businesses by county

Source of data: [Statistics of US Businesses](#) (Census)

Business dynamics

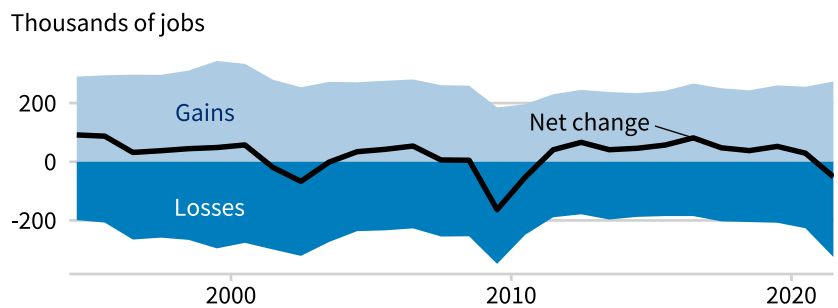
Establishments

Between March 2020 and March 2021, 19,947 Tennessee establishments opened and 14,729 closed, for a net increase of 5,218. Employment expanded at 36,984 establishments and contracted at 43,275. Small businesses accounted for 19,023 openings and 13,695 closings.



Employment

Opening and expanding Tennessee establishments added 273,333 jobs, while closing and contracting establishments lost 324,743, for a net decrease of 51,410 jobs. Small businesses gained 174,788 jobs and lost 200,364, for a net decrease of 25,576 jobs.



Counts include temporary closures and reopenings

Source: [Business Employment Dynamics](#) (BLS)

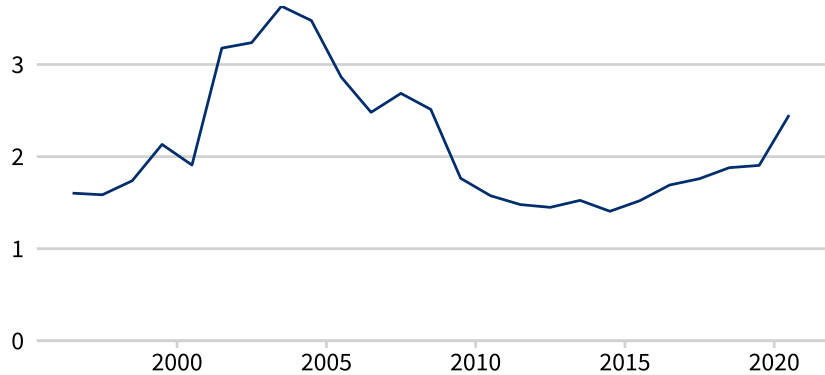
Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2020, reporting banks issued \$2.5 billion in loans to Tennessee businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$2.3 billion. Total reported new lending to businesses through loans of \$1 million or less was \$8.4 billion.





Source: [CRA Aggregate Data](#) (FFIEC)

New lending to businesses with revenues under \$1 million

\$Billion



Small business count by size and industry

Industry				
	No employees	1–19 employees	20–499 employees	All small businesses
Other Services (except Public Administration)	70,950	12,076	1,098	84,124
Construction	68,724	8,990	1,225	78,939
Professional, Scientific, and Technical Services	64,668	9,016	947	74,631
Administrative, Support, and Waste Management	64,397	4,734	878	70,009
Retail Trade	46,477	11,763	1,276	59,516
Real Estate and Rental and Leasing	49,447	3,720	339	53,506
Health Care and Social Assistance	38,476	8,458	1,783	48,717
Transportation and Warehousing	44,101	2,406	560	47,067
Arts, Entertainment, and Recreation	38,745	2,287	356	41,388
Accommodation and Food Services	11,294	6,685	2,603	20,582
Educational Services	17,410	956	352	18,718
Finance and Insurance	14,068	3,642	484	18,194
Wholesale Trade	6,811	3,348	1,098	11,257
Manufacturing	6,384	3,178	1,370	10,932
Information	8,292	1,134	231	9,657
Agriculture, Forestry, Fishing and Hunting	4,901	216	11	5,128
Management of Companies and Enterprises	*	70	302	372
Mining, Quarrying, and Oil and Gas Extraction	215	52	26	293
Utilities	206	13	30	249
Industries not classified	*	205	2	207
Total	555,566	82,858	14,371	652,795

* Not reported by the Census Bureau

Sources: [Nonemployer Statistics](#), 2019 (Census); [Statistics of US Businesses](#), 2019 (Census)



Small business exports

A total of 7,108 identified firms exported goods worth \$26.0 billion from Tennessee in 2020. Of those exporters, 5,830—or 82.0 percent—were small. Exports by small firms reached \$4.2 billion, making up 16.2 percent of exports by identified firms.

Source: [A profile of US importing and exporting companies, 2019-2020](#) (Census)

Business ownership share by demographic group

Women



Women made up 48.1 percent of workers and owned 42.9 percent of businesses.

Veterans



Veterans made up 6.0 percent of workers and owned 7.8 percent of businesses.

Hispanics



Hispanics made up 5.2 percent of workers and owned 4.0 percent of businesses.

Racial minorities



Racial minorities made up 21.0 percent of workers and owned 17.0 percent of businesses.

Ownership shares include equal and majority ownership

Sources of data: [American Community Survey, 2018](#) (Census and IPUMS); [Annual Business Survey, 2018](#) (Census); [Nonemployer Statistics by Demographics, 2018](#) (Census)

Business count by owner demographic group

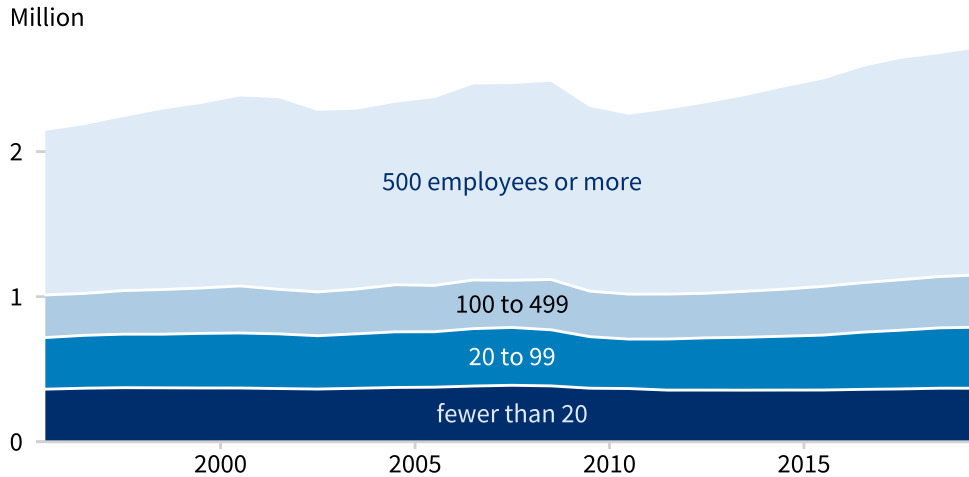
Ownership	Without employees	With employees	Total businesses
Female	229,000	14,863	243,863
Male	295,000	57,442	352,442
Owned equally by both groups	8,200	12,832	21,032
Veteran	36,000	7,485	43,485
Not Veteran	494,000	74,941	568,941
Owned equally by both groups	1,900	*	*
Hispanic	22,000	1,675	23,675
Not Hispanic	510,000	82,798	592,798
Owned equally by both groups	350	*	*
American Indian and Alaska Native	800	211	1,011
Asian	13,500	5,953	19,453
Black or African American	81,000	2,539	83,539
Native Hawaiian and Other Pacific Islander	250	*	*
White	436,000	76,094	512,094
Hispanic or Racial Minority	115,000	10,346	125,346
White and Not Hispanic	416,000	73,454	489,454
Owned equally by both groups	800	1,339	2,139

* Not reported by the Census Bureau; counts include only businesses classifiable by owner demographic group

Sources: [Annual Business Survey, 2018](#) (Census); [Nonemployer Statistics by Demographics, 2018](#) (Census)

Total Tennessee employment by business size

Source of data: [Statistics of US Businesses](#) (Census)



Between 1995 and 2019, Tennessee small business employment grew by 13.6 percent, reaching 1.2 million employees in 2019.

Small business employment and payroll by industry

Industry	Employers		Employees		Payroll (\$1,000s)	
	Small	%	Small	%	Small	%
Other Services (except Public Administration)	13,174	98.9	98,879	83.5	2,773,638	78.6
Retail Trade	13,039	96.8	108,188	33.9	3,796,375	41.5
Health Care and Social Assistance	10,241	97.4	162,647	38.2	7,417,132	32.9
Construction	10,215	98.8	98,586	82.4	5,465,400	79.4
Professional, Scientific, and Technical Services	9,963	96.6	70,987	57.3	4,718,115	51.7
Accommodation and Food Services	9,288	96.9	169,895	55.9	3,199,931	56.1
Administrative, Support, and Waste Management	5,612	93.4	79,920	29.5	2,927,467	32.0
Manufacturing	4,548	88.8	108,193	31.9	5,027,489	27.5
Wholesale Trade	4,446	89.2	60,429	49.2	3,688,580	45.7
Finance and Insurance	4,126	92.1	39,590	31.6	2,764,260	26.9
Real Estate and Rental and Leasing	4,059	96.3	24,640	67.6	1,258,138	65.5
Transportation and Warehousing	2,966	89.7	38,173	24.1	1,767,862	23.9
Arts, Entertainment, and Recreation	2,643	98.3	28,746	67.7	1,189,863	62.7
Information	1,365	89.3	15,245	32.3	942,015	29.5
Educational Services	1,308	95.3	31,544	46.4	1,087,209	43.6
Management of Companies and Enterprises	372	51.4	8,264	8.7	631,307	6.4
Agriculture, Forestry, Fishing and Hunting	227	99.1	1,560	94.5	55,734	96.2
Industries not classified	207	100.0	344	100.0	8,965	100.0
Mining, Quarrying, and Oil and Gas Extraction	78	87.6	1,664	48.2	110,901	44.9
Utilities	43	76.8	2,514	77.1	190,256	74.3
Total	97,229	96.5	1,150,008	42.2	49,020,637	37.7

Source: [Statistics of US Businesses](#), 2019 (Census)

About this profile

Small businesses are defined here as firms with fewer than 500 employees. Figures and statistics may incorporate approximations because of missing or problematic data. Data analyzed here largely predate the COVID-19 pandemic, which has had [impacts on businesses](#) that have differed by industry, geography, and demographic group. Electronic versions of this and other [geographic profiles](#) are available online. Visit advocacy.sba.gov for additional resources.