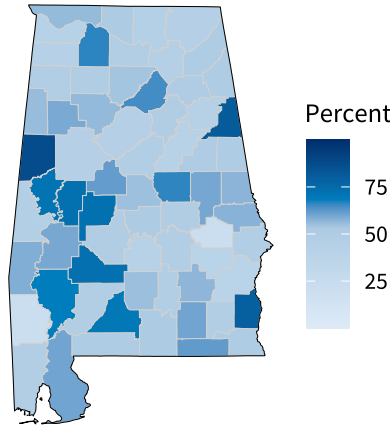


## Alabama

**422,586** small businesses  
**99.4 percent** of Alabama businesses

**818,235** small business employees  
**46.0 percent** of Alabama employees



### Share of employees working at small businesses by county

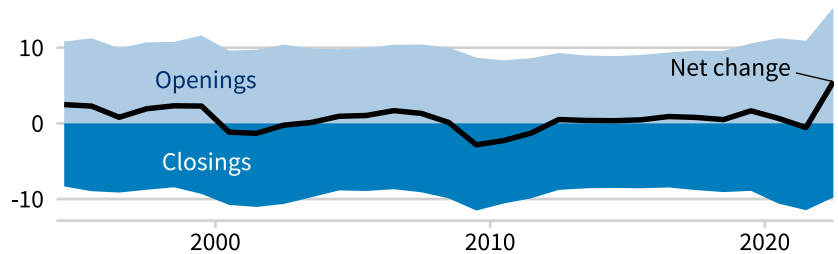
Source of original data: [Statistics of US Businesses](#) (Census)

## Business dynamics

### Establishments

Between March 2021 and March 2022, 15,298 Alabama establishments opened and 9,782 closed, for a net increase of 5,516. Employment expanded at 29,861 establishments and contracted at 25,349. Small businesses accounted for 13,976 openings and 8,997 closings.

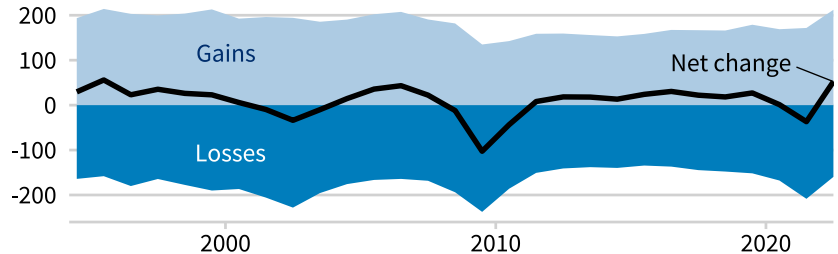
Thousands of establishments



### Employment

Opening and expanding Alabama establishments added 212,119 jobs, while closing and contracting establishments lost 159,745, for a net increase of 52,374 jobs. Small businesses contributed a net increase of 34,663 jobs, or 66.2 percent of that total.

Thousands of jobs



Counts include temporary closures and reopenings

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

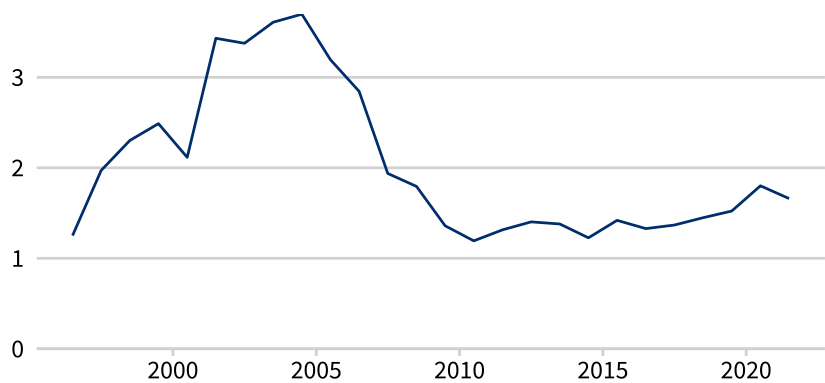
## Small business loans

The Community Reinvestment Act requires large banks to report new small business loans. In 2021, reporting banks issued \$1.7 billion in loans to Alabama businesses with revenues of \$1 million or less. Total reported new lending to businesses through loans of \$100,000 or less was \$1.5 billion. Total reported new lending to businesses through loans of \$1 million or less was \$5.2 billion.

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

## New lending to businesses with revenues under \$1 million

\$Billion



## Small business count by size and industry

Industry	Without employees	1–19 employees	20–499 employees	All small businesses
Other Services (except Public Administration)	48,948	9,289	739	58,976
Construction	45,890	6,798	921	53,609
Administrative, Support, and Waste Management	46,187	3,113	530	49,830
Professional, Scientific, and Technical Services	36,436	7,378	748	44,562
Retail Trade	31,977	9,234	975	42,186
Real Estate and Rental and Leasing	35,885	3,137	223	39,245
Health Care and Social Assistance	23,159	6,325	1,312	30,796
Transportation and Warehousing	26,657	2,031	380	29,068
Arts, Entertainment, and Recreation	13,085	921	189	14,195
Accommodation and Food Services	7,154	4,535	1,570	13,259
Finance and Insurance	8,534	2,563	294	11,391
Educational Services	9,003	640	186	9,829
Manufacturing	4,921	2,233	1,011	8,165
Wholesale Trade	4,837	2,557	754	8,148
Agriculture, Forestry, Fishing and Hunting	4,473	696	51	5,220
Information	2,902	539	130	3,571
Mining, Quarrying, and Oil and Gas Extraction	263	84	40	387
Utilities	169	63	29	261
Management of Companies and Enterprises	*	48	198	246
Industries not classified	*	149	0	149
<b>Total</b>	<b>350,480</b>	<b>62,272</b>	<b>9,834</b>	<b>422,586</b>

\* Not reported by the Census Bureau

Sources: [Nonemployer Statistics](#), 2020 (Census); [Statistics of US Businesses](#), 2020 (Census)



### Small business exports

A total of 4,247 identified firms exported goods worth \$20.3 billion from Alabama in 2021. Of those exporters, 3,410—or 80.3 percent—were small. Exports by small firms reached \$3.1 billion, making up 15.4 percent of exports by identified firms.

Source: [A profile of US importing and exporting companies, 2020-2021](#) (Census)

## Business ownership share by demographic group

### Women



Women made up 47.7 percent of workers and owned 44.1 percent of businesses.

### Veterans



Veterans made up 6.1 percent of workers and owned 8.5 percent of businesses.

### Hispanics



Hispanics made up 3.9 percent of workers and owned 3.1 percent of businesses.

### Racial minorities



Racial minorities made up 30.9 percent of workers and owned 23.0 percent of businesses.

Ownership shares include equal and majority ownership

Sources of original data: [American Community Survey, 2019 5-Year Data \(Census\)](#); [Annual Business Survey, 2019 \(Census\)](#); [Nonemployer Statistics by Demographics, 2019 \(Census\)](#)

## Business count by owner demographic group

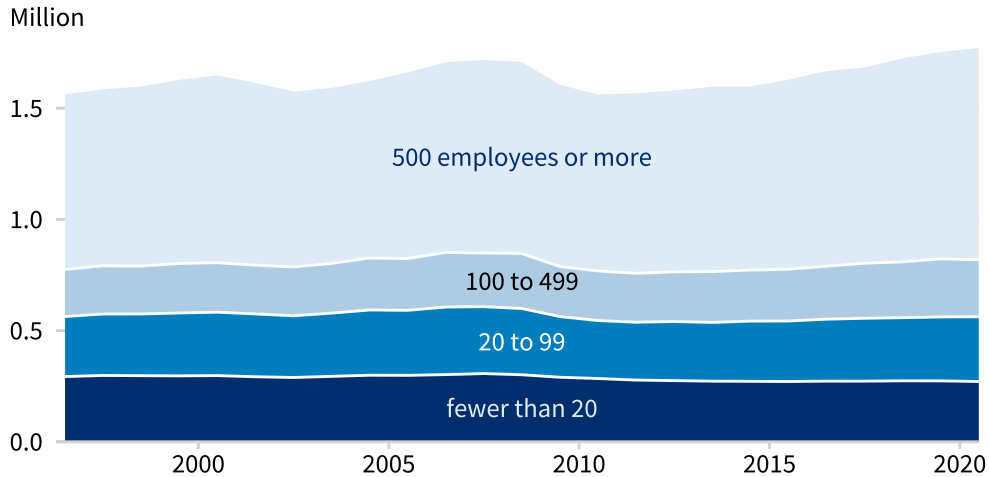
Ownership	Without employees	With employees	Total businesses
Female	150,000	12,881	162,881
Male	182,000	43,750	225,750
Owned equally by both groups	7,700	7,199	14,899
Veteran	26,000	4,933	30,933
Not Veteran	312,000	57,290	369,290
Owned equally by both groups	1,800	1,607	3,407
Hispanic	11,500	836	12,336
Not Hispanic	328,000	62,910	390,910
Owned equally by both groups	250	84	334
American Indian and Alaska Native	3,700	236	3,936
Asian	9,400	4,409	13,809
Black or African American	75,000	2,140	77,140
Native Hawaiian and Other Pacific Islander	300	*	*
White	254,000	57,123	311,123
Hispanic or Racial Minority	97,500	7,603	105,103
White and Not Hispanic	242,000	55,924	297,924
Owned equally by both groups	700	306	1,006

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

Sources: [Annual Business Survey, 2019 \(Census\)](#); [Nonemployer Statistics by Demographics, 2019 \(Census\)](#)

## Total Alabama employment by business size

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



Small businesses accounted for 46.0 percent of Alabama employment in 2020, which exceeded the national small business employment share.

### Small business employment and payroll by industry

Industry	Employers		Employees		Payroll (\$1,000s)	
	Small	%	Small	%	Small	%
Retail Trade	10,209	96.6	86,545	38.0	2,941,585	45.3
Other Services (except Public Administration)	10,028	98.8	68,534	85.4	1,799,179	77.9
Professional, Scientific, and Technical Services	8,126	96.6	64,174	56.5	4,756,976	51.7
Construction	7,719	98.8	74,415	80.3	4,032,557	77.3
Health Care and Social Assistance	7,637	97.5	120,270	44.4	5,523,561	42.1
Accommodation and Food Services	6,105	96.6	107,279	56.0	1,616,994	56.6
Administrative, Support, and Waste Management	3,643	93.1	47,968	28.3	1,661,627	31.5
Real Estate and Rental and Leasing	3,360	97.0	17,388	73.4	848,224	73.7
Wholesale Trade	3,311	88.2	42,699	56.6	2,481,162	54.5
Manufacturing	3,244	88.3	86,065	32.5	3,942,323	27.6
Finance and Insurance	2,857	91.6	24,381	34.8	1,548,959	25.9
Transportation and Warehousing	2,411	91.3	25,910	36.4	1,144,296	33.9
Arts, Entertainment, and Recreation	1,110	97.3	14,421	67.1	275,090	79.4
Educational Services	826	95.7	15,177	61.1	413,976	53.7
Agriculture, Forestry, Fishing and Hunting	747	98.5	5,801	90.9	269,360	87.7
Information	669	84.6	9,456	30.8	525,874	26.5
Management of Companies and Enterprises	246	58.2	3,598	16.8	278,488	14.5
Industries not classified	149	100.0	188	100.0	3,941	100.0
Mining, Quarrying, and Oil and Gas Extraction	124	79.5	1,899	31.5	130,843	29.1
Utilities	92	86.0	2,067	13.7	173,029	10.0
<b>Total</b>	<b>72,106</b>	<b>96.3</b>	<b>818,235</b>	<b>46.0</b>	<b>34,368,044</b>	<b>42.3</b>

Source: [Statistics of US Businesses](#), 2020 (Census)

#### About this profile

Small businesses are generally defined here as firms with fewer than 500 employees. Figures or statistics may involve approximations because of missing or problematic data. Where notes identify the source of “original data,” a value is approximate in at least one profile. The Technical Notes provide details on data, methods, and definitions. Electronic versions of this and other [geographic profiles](#) are available online. Visit [advocacy.sba.gov](http://advocacy.sba.gov) for additional resources.