

Tennessee Small Business Stats. ¹

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Tennessee is home to many small businesses. It has been reported that Tennessee had 106,644 businesses, with employees, in 1996. Approximately 97 percent (103,871) of these businesses were considered to be small businesses. In addition, Tennessee had 212,000 self-employed individuals in 1996, which combined with the 106,644 businesses with employees accounts for an estimated total of 318,644 total small businesses in the state.

From 1995 to 1996, the income derived by Tennessee sole proprietors and partners increased by 5.5 percent to \$9.7 billion. During the same time period, wage-and-salary income increased 4.7 percent while total personal income climbed 4.8 percent to \$77.5 billion. Tennessee exported approximately \$9.3 billion of goods in 1996, of which \$513.9 million consisted of agricultural commodities.

From 1987 to 1996 the number of women-owned businesses in Tennessee increased 89.9 percent to 139,300. These businesses include part-time operations, employed a reported 262,700 people and generated some \$29.5 billion in sales. From 1987 to 1992, the number of black-owned firms increased by an estimated 43.1 percent to a total of 14,920. The number of Hispanic-owned firms increased by 189.2 percent during the same time period to a total of 1,602 firms. An increase in the number of businesses owned by Asian and Pacific Islanders, American Indians and Alaskan Natives has also been experienced. These businesses increased by 81.9 percent from 1,664 in 1987, to 3,026 in 1992.

In 1996, the number of NEW business starts decreased (-1.3 percent) as did new business incorporations (-5.0 percent). Business bankruptcies increased by 14.3 percent and business failures increased by 34.1 percent during 1996.

¹ The information in this document is based on data from the Tennessee Small Business Administration "1997 Small Business Profile".