



CHARLOTTE
REGIONAL BUSINESS
ALLIANCE®

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Analysis of the Small Business Landscape in the Charlotte Region



A Report by
Charlotte Regional Business Alliance

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Executive Summary

- The Charlotte Region is home to over 61,400 small businesses (businesses with less than 500 employees across all operations)
- Small businesses account for 91.3% of all businesses in the region, with businesses employing fewer than 20 workers comprising the vast majority of this ecosystem.
- While large corporations employ a greater share of total workers, small businesses support 42.5% of the regional workforce (more than 564,000 jobs), demonstrating their substantial employment footprint.
- In 2022, small businesses generated over \$163 billion in receipts, with revenue levels increasing significantly by employment size, particularly among businesses employing 100–499 workers.
- From 2019 to 2022, the region added nearly 6,000 small businesses, reflecting sustained entrepreneurial growth despite pandemic-related volatility.
- Industry patterns reveal strong concentrations in Professional, Scientific, and Technical Services, Construction, Other Services, Health Care and Social Assistance, and Retail Trade, with distinct urban–rural variations across counties.

This data provides an evidence-based foundation to inform the small business strategic priorities of the Charlotte Regional Business Alliance. The dominance of very small businesses (fewer than 20 employees) suggests a need for continued support in areas such as access to capital, technical assistance, workforce development, and entrepreneurial training. The strong presence of construction and skilled trades highlights the importance of workforce pipeline initiatives that align with industry demand. Meanwhile, the concentration of professional services in the urban core highlights opportunities to strengthen innovation ecosystems, supplier networks, and minority- and women-owned business participation in high-value sectors.

By understanding where small businesses are located, which industries they operate in, and how they contribute to employment and revenue generation, the Alliance can more precisely target investments, programming, and partnerships.

Small businesses are not peripheral to the Charlotte Region’s economy—they are foundational to its growth, resilience, and long-term competitiveness.



Introduction

This paper will examine the size and makeup of the small business landscape across the 15-county Charlotte Region. Following the Charlotte Regional Business Alliance’s definition, this footprint spans 11 counties in North Carolina and 4 in South Carolina.¹ For the purposes of this report, we align with the SBA Office of Advocacy’s general definition of a small business: any independent business with fewer than 500 employees.²

The primary data source analyzed in this paper is from the US Census Bureau’s Statistics of US Businesses (SUSB). The most recent SUSB series released in May 2025 refers to data collected from U.S. businesses in 2022. This data is an annual series that provides subnational economic data for U.S. establishments with paid employees by establishment industry and business size. The series includes the number of businesses & establishments, employment during the week of March 12, annual payroll, and annual receipts. This dataset is extensive but excludes data on self-employed individuals, employees of private households, railroad employees, agricultural production employees, and most government employees. Businesses operating without an Employee Identification Number (EIN), and businesses with an EIN but without employees, are excluded from the SUSB universe.³

Table 1 aggregates SUSB data for the 15-county Charlotte Region:

Business Category	Number of Businesses	Employment	Annual Payroll	Annual Receipts
Total Small (<500 employees)	61,424	564,845	\$29.07 Billion	\$163.07 Billion
<i>Small (<20 employees)</i>	52,899	196,384	\$9.33 Billion	\$55.41 Billion
<i>Small (20-99 employees)</i>	6,178	205,477	\$10.07 Billion	\$52.37 Billion
<i>Small (100-499 employees)</i>	2,347	162,984	\$9.66 Billion	\$55.29 Billion
Total Large (500+ employees)	5,821	765,388	\$56.49 Billion	\$318.53 Billion
Total Regional Businesses	67,245	1,330,233	\$85.56 Billion	\$481.61 Billion

Table 1: Number of Businesses, Employment, Annual Payroll, and Annual Receipts by Business Size



Small Business Market Share & Regional Distribution of Small Businesses

The Charlotte region is home to 61,424 small businesses, which represent 91.3% of all 67,245 businesses operating in the 15-county area. While the general definition of small businesses includes independent companies with up to 500 employees on payroll, the regional economy is primarily composed of much smaller operations. Businesses with fewer than 20 local employees account for 78.7% of all regional businesses and a staggering 86.1% of the total small business landscape. This data confirms that businesses with smaller-scale operations are the dominant force in the Charlotte Region's private sector. (Figure 1)

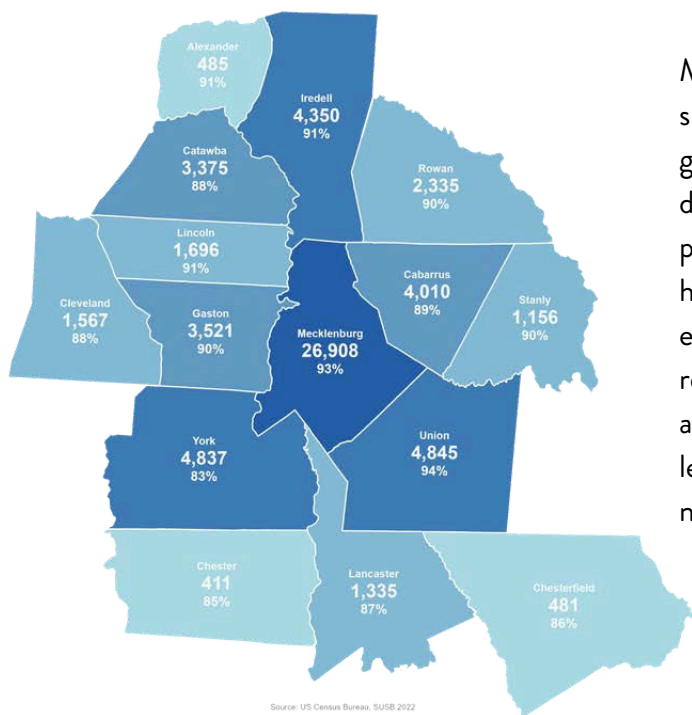
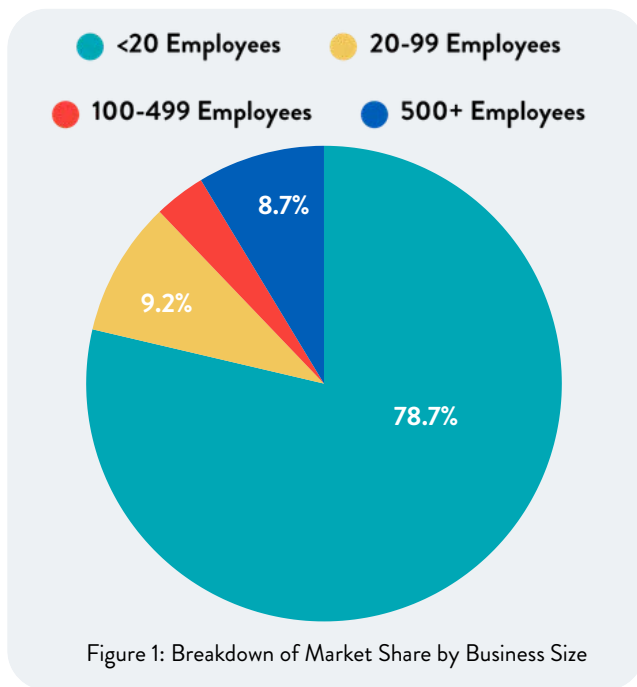


Figure 2: Number and Percentage of Small Businesses by County

Mecklenburg County has the highest number of small businesses in the region, which is unsurprising given that it contains the City of Charlotte. The distribution of small businesses closely mirrors population patterns, with more populous counties hosting larger numbers of small businesses. When examining the concentration of small businesses relative to the total number of businesses, Union and Mecklenburg counties emerge as regional leaders. Notably, despite having a relatively large number of small businesses in absolute terms, York County exhibits the lowest concentration of small businesses in the region. (Figure 2)



Regional Employment Share & Share of Total Annual Receipts

● **Small Businesses (<500)**

● **Large Businesses (500+)**

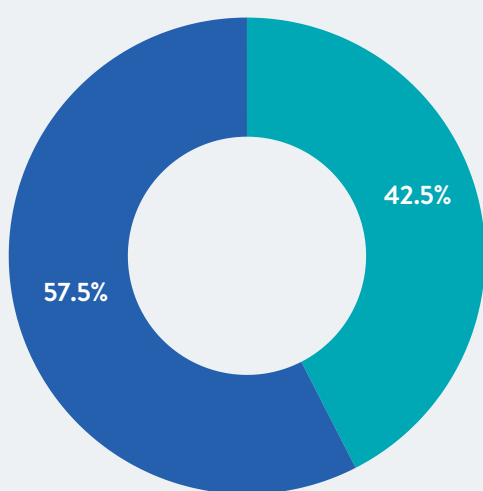


Figure 3: Regional Employment Share

While large businesses (500+ employees) represent only 8.7% of the total number of businesses in the Charlotte region, they employ 765,388 people, or 57.5% of the workforce. However, the impact of the small business sector is substantial. These businesses employ a total of 564,845 people, accounting for 42.5% of total regional employment. (Figure 3) Local employment is distributed nearly equally across the three small business size tiers. Small businesses with 20–99 employees on payroll account for the largest portion of this workforce, while those in the 100–499 employee category represent the smallest share.

While the Charlotte Region is a destination for major corporate headquarters, small businesses serve as a critical primary employer for nearly half of the local labor force.

In 2022, small businesses in the Charlotte region generated over \$163 billion in total receipts. While average annual receipts across all small businesses is approximately \$2.65 million, this figure varies significantly by employment size. Businesses with fewer than 20 employees average \$1.05 million in annual receipts, while mid-sized small businesses (20-99 employees) see that average climb to \$8.48 million. For the largest tier of small businesses (100-499 employees), average annual receipts reach \$23.56 million, representing a high-growth segment of the regional economy. Together, small businesses account for 33.9% of the region's total annual receipts and large businesses (500+ employees) account for a staggering 66.1%. (Figure 4)

● **<20 Employees** ● **20-99 Employees**
● **100-499 Employees** ● **500+ Employees**

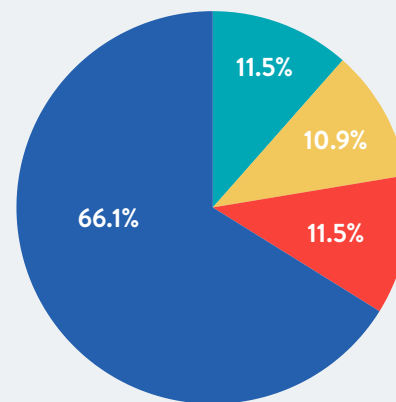


Figure 4: Share of Annual Receipts by Employment Size



Small Business 3-Year Growth

From 2019 to 2022, the Charlotte region's small business sector demonstrated consistent growth despite broader economic volatility. The total number of small businesses increased by nearly 6,000 businesses, representing an 11% expansion over the three-year period. While total small business employment saw a net increase of 27,787 jobs, a roughly 5% gain, the trajectory was not linear. A 2% dip in employment occurred in 2021, likely due to the delayed effect of the COVID-19 pandemic on staffing and operations. However, the workforce recovered by 2022, reinforcing the long-term upward trend in regional small business growth. (Figure 5)

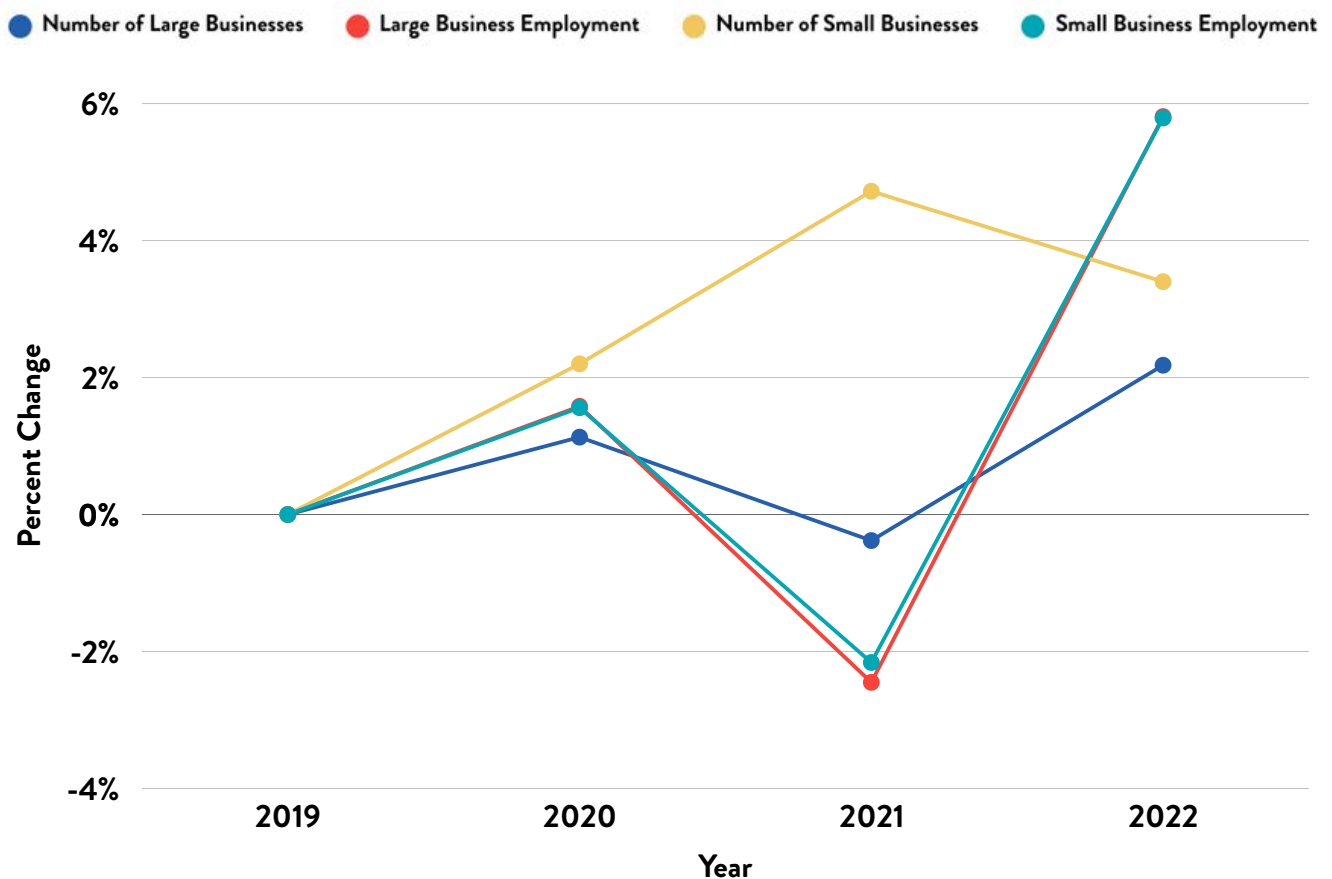


Figure 5: Number of Businesses and Employment Year-Over-Year % Change (2019-2022)



Industry Composition

NAICS (North American Industry Classification System) codes are a standardized system used by federal statistical agencies to classify businesses based on their primary economic activity. The system is hierarchical: two-digit codes represent broad industry sectors (e.g., Construction or Manufacturing), while three-digit codes identify more specific subsectors within those sectors. Additional digits (four-, five-, and six-digit levels) further refine classifications to increasingly detailed industry categories.

Across industries, construction exhibits the highest concentration of small businesses in the region, with 98% of businesses classified as small, followed by Other Services and Arts and Recreation, each at approximately 95%. In contrast, Utilities and Mining, Quarrying, and Oil and Gas Extraction have the lowest shares of small businesses. This pattern largely reflects the structure of these industries, which are dominated by government-owned entities—excluded from this dataset—or by large-scale businesses that typically exceed 500 employees due to the capital intensity and coordination requirements of utility provision and resource extraction. (Figure 6)

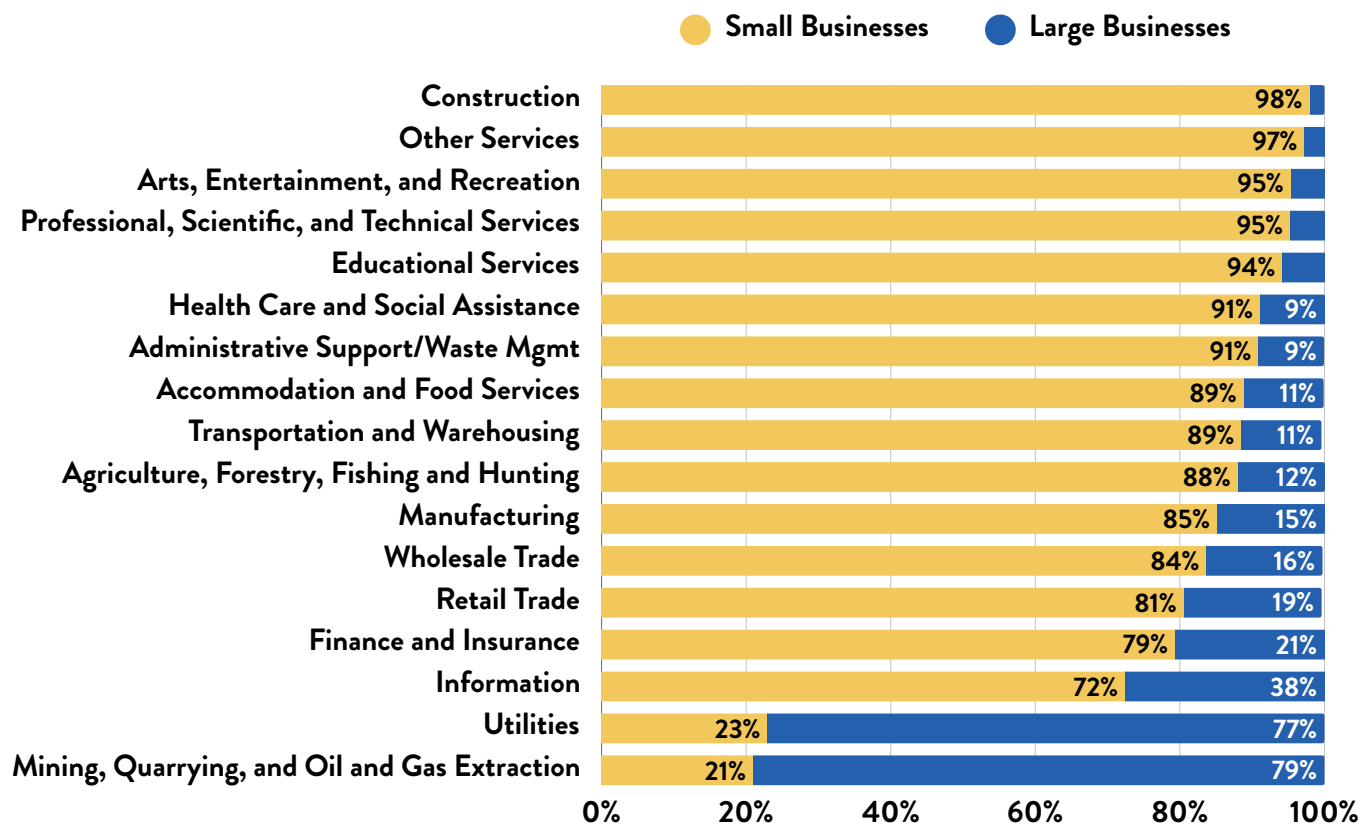


Figure 6: Small Business Share by Industry, (2-Digit NAICS)



Industry Composition

Professional, Scientific, and Technical Services is the largest industry in the region by number of businesses, encompassing sub-industries such as legal, engineering, scientific, and advertising services. Construction, Other Services, and Health Care and Social Assistance follow as the next largest industries in terms of firm counts. (Figure 7)

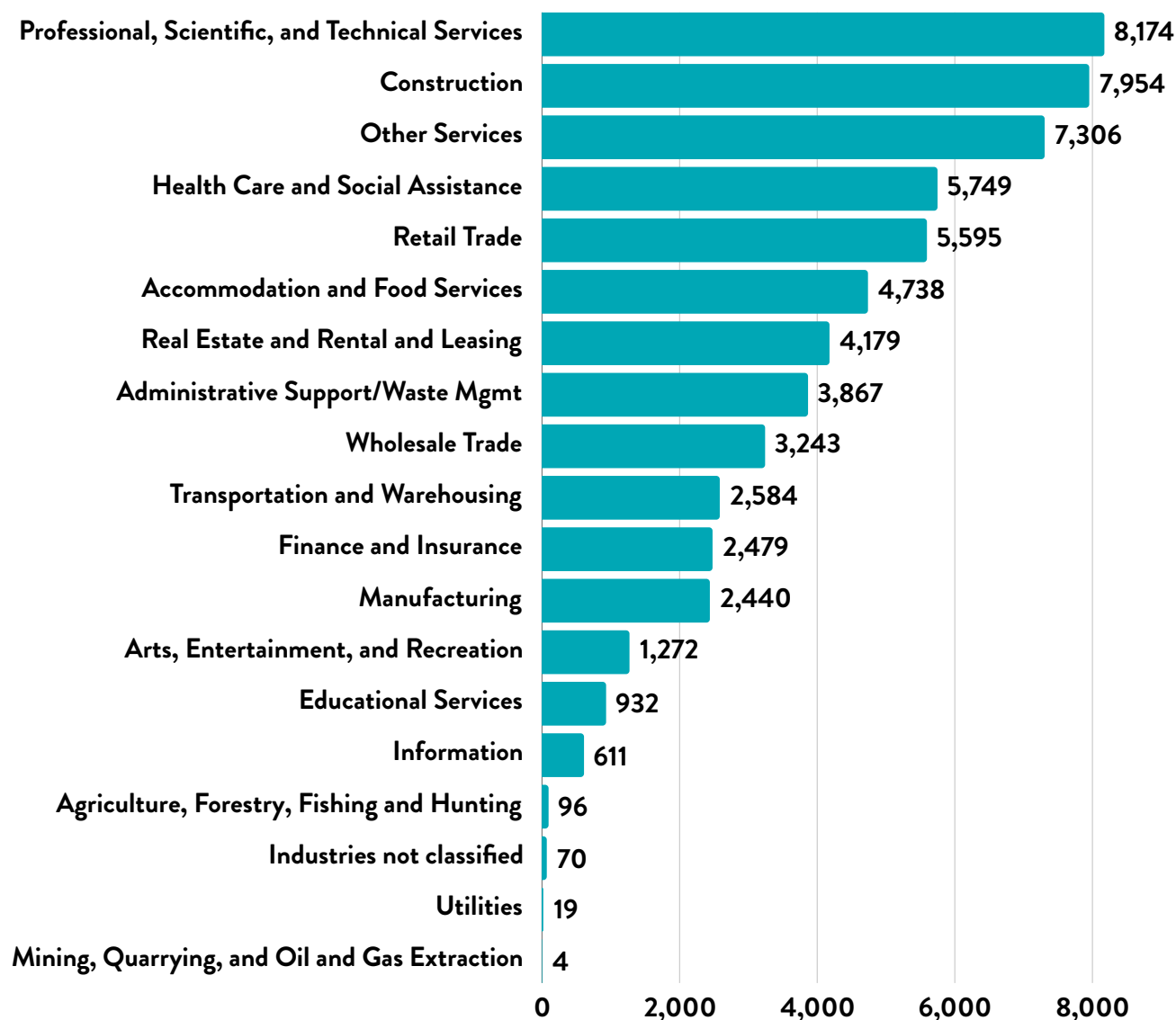
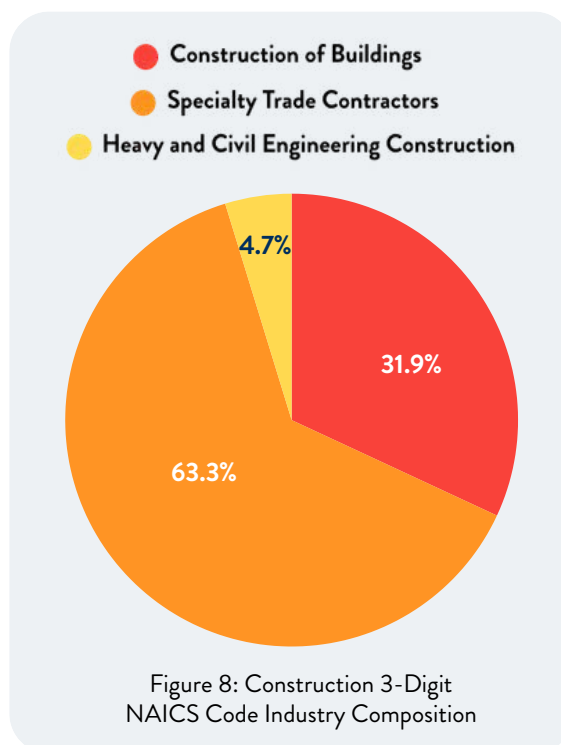


Figure 7: Charlotte Region Small Business Industry Composition, (2-Digit NAICS)



Industry Composition

The dataset disaggregates industries at the three-digit NAICS sub-industry level, with the exception of Professional, Scientific, and Technical Services, which does not have a corresponding three-digit NAICS category. The previous figures represent the proportional composition of the top four industries, excluding Professional Services. Within construction, Specialty Trade Contractors account for the largest share of small business businesses (Figure 8); these businesses perform specific activities such as plumbing and electrical work and are commonly engaged as subcontractors. Specialty Trade Contractors and Building Construction businesses are predominantly small, with businesses employing fewer than 20 workers comprising 95% and 90% of businesses, respectively. In contrast, Heavy and Civil Engineering Construction has a smaller share of businesses with fewer than 20 employees (77%) and a comparatively larger share employing 20–99 workers (18%) (Table 2).



Health Care and Social Assistance is dominated by Ambulatory Health Care Services, followed by Social Assistance and Nursing and Residential Care Facilities, while Other Services is more evenly distributed across Repair and Maintenance; Religious, Grantmaking, Civic, and Similar Organizations; and Personal and Laundry Services. (Figure 9 &10)

	<20 employees	20-99 employees	100-499 employees
Construction of Buildings	95.0%	3.8%	1.2%
Specialty Trade Contractors	90.4%	8.0%	1.6%
Heavy/Civil Engineering Construction	77.6%	18.5%	4.0%

Table 2: Construction 3-digit NAICS Employee Business Size Matrix



Industry Composition

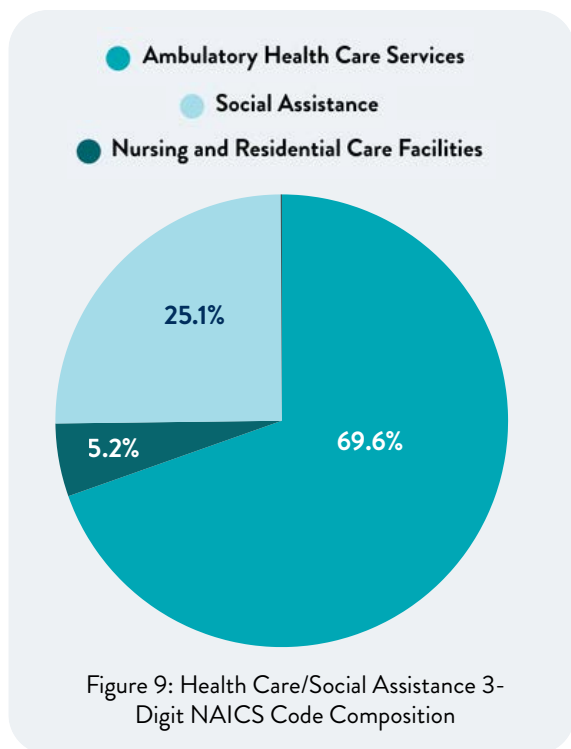


Figure 9: Health Care/Social Assistance 3-Digit NAICS Code Composition

	<20 employees	20-99 employees	100-499 employees
Nursing and Residential Care	4.8%	49.9%	45.3%
Social Assistance	29.8%	46.9%	23.3%
Ambulatory Health Care Services	41.4%	32.0%	26.6%

Table 3: Health Care and Social Assistance 3-digit NAICS Employee Business Size Matrix

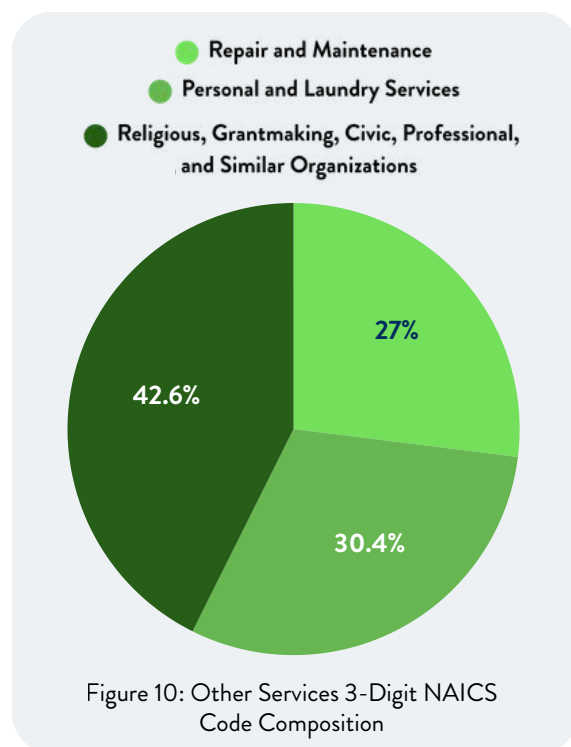


Figure 10: Other Services 3-Digit NAICS Code Composition

	<20 employees	20-99 employees	100-499 employees
Religious, Grantmaking, Civic, Professional & Similar	45.2%	61.1%	59.5%
Personal and Laundry Services	27.1%	12.6%	20.2%
Repair and Maintenance	27.6%	26.3%	20.2%

Table 4: Other Services 3-digit NAICS Employee Business Size Matrix



Industry Composition

Comparison of county-level small business industry compositions reveals several notable patterns. In all counties except Mecklenburg and York, construction represents the largest industry by number of businesses. In Mecklenburg County, Professional, Scientific, and Technical Services accounts for the largest share of businesses by a substantial margin, consistent with the county’s concentration of office space and proximity to larger businesses that generate demand for professional services. In the most rural counties in the region, including Chesterfield and Alexander, Other Services constitutes the largest industry. Overall, Professional Services, Construction, Other Services, Health Care and Social Assistance, and Retail Trade collectively account for 57% of small business businesses across the region, although the dominant industry varies systematically with proximity to Charlotte’s urban core. (Table 5)

	Alexander	Cabarrus	Catawba	Cleveland	Gaston	Iredell	Lincoln	Mecklenburg	Rowan	Stanly	Union	Chester	Chesterfield	Lancaster	York
Professional, Scientific, and Technical Services	40	481	305	119	298	496	163	4573	180	72	627	26	28	148	618
Construction	74	652	389	189	498	612	310	2883	362	210	935	50	55	142	593
Other Services	86	492	458	289	556	517	235	2638	359	189	506	80	83	221	597
Health Care and Social Assistance	37	339	334	143	370	384	132	2701	201	92	313	31	40	133	499
Retail Trade	49	366	417	254	353	420	184	1957	274	160	391	61	71	168	470
Accommodation and Food Services	39	332	270	125	279	310	99	2136	173	93	260	38	53	122	409
Real Estate and Rental and Leasing	11	235	190	79	167	279	96	2226	106	45	305	7	10	69	354
Admin/Support and Waste Mgmt	25	265	176	84	220	280	122	1651	152	69	400	23	12	83	305
Wholesale Trade	14	190	204	73	181	265	73	1505	109	39	264	18	25	56	227
Transportation and Warehousing	23	203	128	53	145	153	78	1144	98	39	271	17	20	48	164
Finance and Insurance	18	122	133	40	115	143	51	1314	79	31	164	14	22	52	181
Manufacturing	54	141	273	80	212	242	95	650	139	67	186	30	42	45	184
Arts, Entertainment, and Recreation	9	104	55	20	46	146	22	595	56	18	85	5	9	15	87
Educational Services	0	56	29	10	52	53	16	503	31	13	73	0	0	16	80
Information	3	24	14	9	21	28	14	380	10	7	49	0	3	8	41
Agriculture, Forestry, Fishing and Hunting	3	4	0	0	3	13	6	9	6	12	9	8	8	4	11
Industries not classified	0	4	0	0	5	5	0	31	0	0	7	3	0	5	10
Utilities	0	0	0	0	0	4	0	12	0	0	0	0	0	0	3
Mining, Quarrying, and Oil and Gas Extraction	0	0	0	0	0	0	0	0	0	0	0	0	0	0	4

Table 5: Small Business Industry Concentration by County Matrix



Sources

1. The Charlotte Region includes 11 counties in North Carolina (Alexander, Cabarrus, Catawba, Cleveland, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Stanly, Union) and 4 counties in South Carolina (Chester, Chesterfield, Lancaster, York)
2. [SBA Office of Advocacy FAQ, Feb 2026](#)
3. Us Census Bureau, [Statistics of US Business Methodology](#)