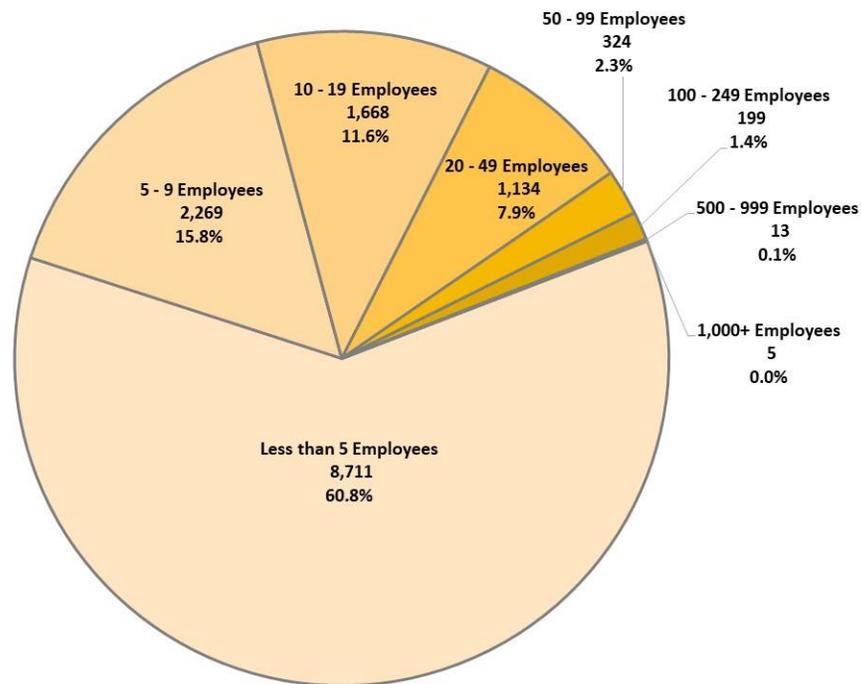


Are Small Businesses Growing or Disappearing In Asheville Metro?

The four-county Asheville metro economy (Buncombe, Haywood, Henderson and Madison) is dominated by small businesses. According to the North Carolina Department of Commerce, of the 14,323 total Asheville metro business establishments in 2019, 8,711 or 60.8% employ less than five people and another 2,269 or 15.8% employ between five and nine people (see chart below). So slightly more than two-thirds of all business establishments employ less than ten workers. Worth noting, this analysis only considers businesses with paid employees, not those self-employed persons working solely by themselves.

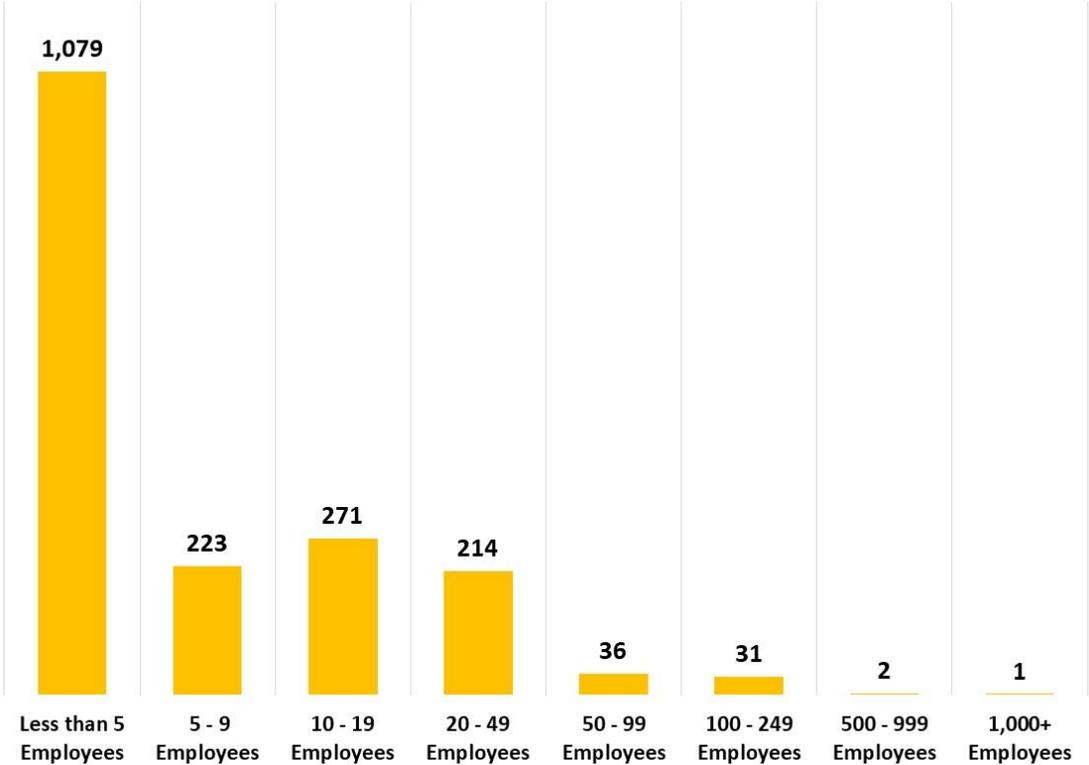
Asheville Metro Business Establishments by Employment Size* 2019



**Private businesses with paid employees, not including self-employed, single-person establishments.
Source: NC Department of Commerce*

A common perception is that small businesses are disappearing. Perhaps due to the prevalence of large “big box” employers, gains in online sales or the impact of imports, many believe that the best times for small businesses are over. However, over the last five years the Asheville metro has in fact added more small businesses. Since 2014, there has been a net increase of 1,857 business establishments, of which 1,079 or 58.1% employ less than five persons and another 223 or 12.0% employ between five and nine people (see chart below). Together, the number of businesses employing fewer than ten people accounted for 70.1% of net business establishment gains. By contrast, the number of businesses employing 500 or more increased by just three.

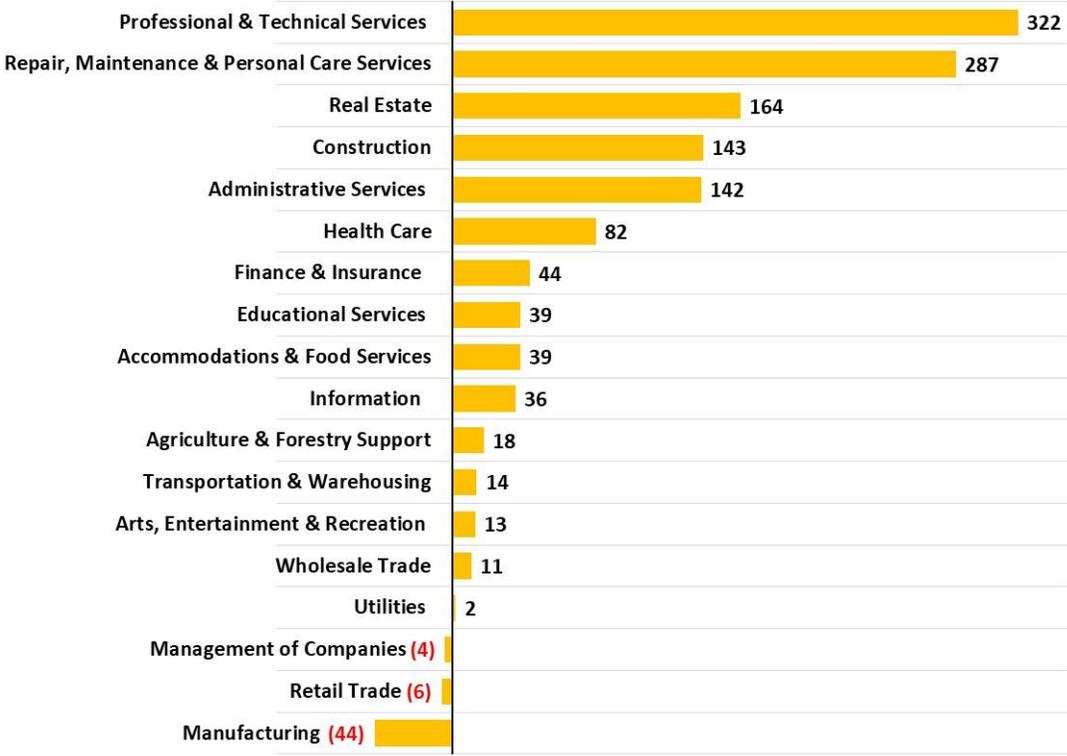
**Asheville Metro
Net Change Number of Business Establishments
by Employment Size*
2014 to 2019**



**Private businesses with paid employees, not including self-employed, single-person establishments.
Source: NC Department of Commerce*

A closer examination into the industries behind small business growth may help explain the misperception of its decline. For example, over the last five years, the number of businesses performing *Professional & Technical Services* and employing fewer than ten persons grew by 322 establishments in the Asheville metro. Similarly, the number of businesses involved in *Repair, Maintenance & Personal Care Services* employing fewer than ten people added 287 establishments (see chart below). Much of the growth has been from industries that are not as visible or do not fit neatly into common beliefs about “small business.” By comparison, the number of *manufacturers* employing fewer than ten people declined by 44. *Retail* establishments employing fewer than ten persons, which typify the average small business to many, declined by four over the last five years.

Asheville Metro
Net Change Number of Business Establishments
Employing Fewer Than Ten Persons by Industry*
2014 to 2019



*Private businesses with paid employees, not including self-employed, single-person establishments.
 Source: NC Department of Commerce

So, are small businesses growing or disappearing in the Asheville Metro? Clearly the data says growing. The number of businesses employing fewer than ten people has accounted for 70.1% of net business establishment growth over the last five years. The misperception of small business decline may have more to do with the change in what small businesses are doing.

Can JPS help your business? Contact us.

www.jpspa.com

**Asheville
828-254-2374**

**Boone
828-262-0997**

**Marion
828-652-7044**

About JPS:

Johnson Price Sprinkle PA is a 60+ year old accounting firm providing small to middle market businesses with tax, consulting, audit, and technology solution services. With offices in Asheville, Boone, and Marion, NC, our CPAs and JPS team strive to provide personal service alongside technical expertise resulting in our clients' long-term financial success. >Be Greater