

North Carolina Department of the Secretary of State

NEWS

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Elaine F. Marshall
Secretary of State

For Immediate Release

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New Business Creations in North Carolina Seeing Unprecedented Growth in 2021

RALEIGH – New business creations in 2021 are breaking the record set at this point in 2020 and very nearly match all new business creation filings in 2019, according to NC Secretary of State Elaine F. Marshall.

Filings for new business creations are far outpacing 2020's unprecedented numbers, with 96,000 new business creation filings processed between January and the end of June – an 80% increase over the same period last year.

Nearly 127,000 new business creations were filed with the NC Secretary of State's Business Registration Division in 2020, a 27% increase from the nearly 100,000 filings recorded in 2019.

“Since mid-2020, new business creations have gone through the roof and instead of leveling off we're seeing those numbers soar even higher this year,” said Secretary Marshall.

The Department's survey of new businesses created one year ago indicates that 89% of those new businesses are still in business, with 22% reporting that they have three or more employees.

“Our survey findings point toward a new era of entrepreneurship, with 81% of respondents indicating they launched their businesses in search of new opportunities, while just 12% report starting their new businesses as a result of job losses during the pandemic,” said Secretary Marshall.

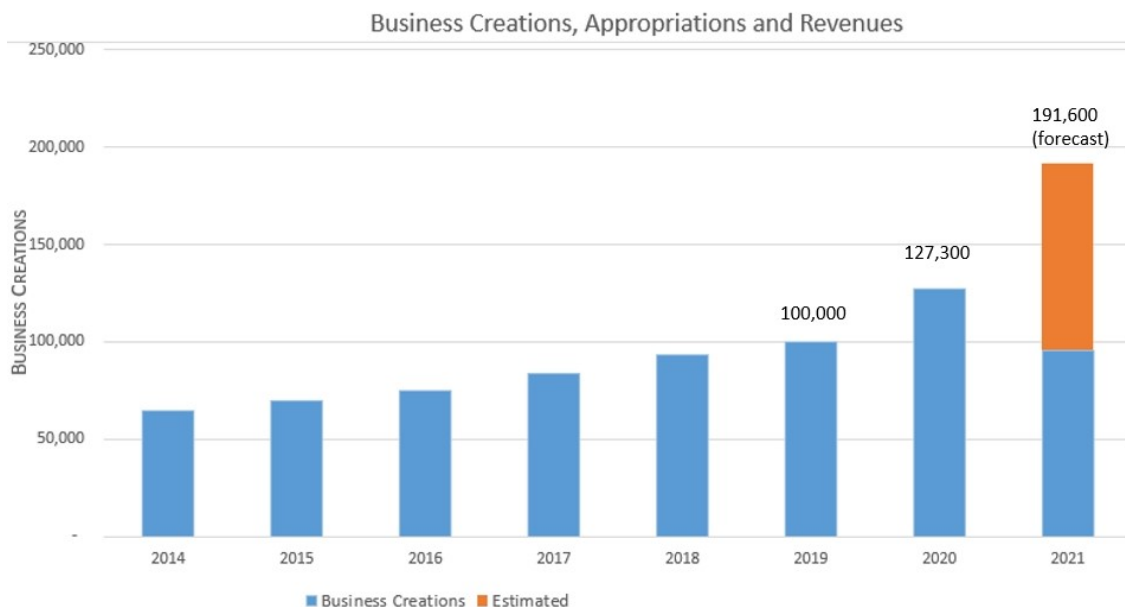
The torrid rate of new business creations is as high as 211% in some counties.

“It's particularly gratifying to see that several Tier 1 counties – including Scotland County and Edgecombe County – that have been identified in the state's economic tier system as being under the most economic distress, are among the counties experiencing the highest growth in new business creations,” said Secretary Marshall.

The Department’s new Web Wizards have vastly reduced customer errors in online filings, speeding the pace of new business creations.

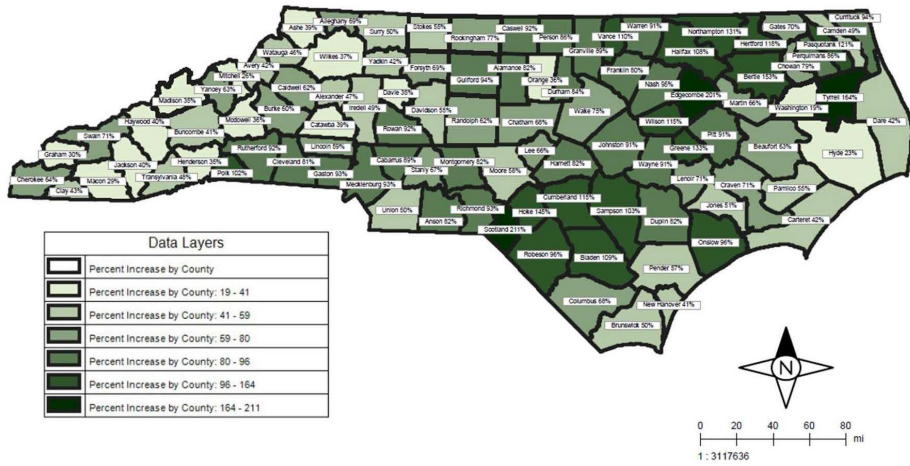
Chris English, Executive Director of the Laurinburg/Scotland County Area Chamber of Commerce, commented on Scotland County’s distinction as the county with the highest growth in new business creations. “Whether it’s a home-based business or brick and mortar store, a part-time side hustle or a new full-time career, people are taking that leap of faith to improve their lives. I give a lot of credit to Richmond Community College. Their Small Business Center and programs like their Truck Driving School are so important to people who want to hone their occupational skills. I think entrepreneurial enthusiasm is contagious in the best way – when you see your neighbor starting a new career or a new venture, you start thinking about what you can do to improve your situation.”

Commenting on the increase, Rocky Mount Area Chamber of Commerce President and CEO David Farris noted, “We’re thrilled with these numbers and what they say about the rise in entrepreneurial spirit even in challenging times. We’ve seen Chamber membership grow by more than 30% in the past year because of new business creations in Edgecombe and Nash Counties. It’s crucial to note that minority businesses owned by people of color and women are responsible for approximately 40% of that new business growth.”



*The orange bar indicates a projection of more than 190,000 new business creations by the end of 2021 if new business creation filings continue at their current rate of growth.

North Carolina New Business Creations
Year over Year Increase
 (July 1, 2019 -- June 30, 2020 compared to July 1, 2020 -- June 30, 2021)



Source: North Carolina Secretary of State July 09, 2021 Map by Thomas Belch, NCSOS.