



# Business Demography Statistics in 2019

## Active enterprises

**In 2019, the number of active enterprises\* was 6.527 million, rising by 4.4% from 2018.**

- In 2019, the number of active enterprises\* was 6.527 million, rising by 277 thousand (4.4%) from 2018.

\* Active enterprises refer to enterprises with annual sales or employees in the year among profit enterprises.

- Among active enterprises, corporate enterprises amounted to 695 thousand in 2019, which increased by 5.8% from 2018. Sole proprietorships amounted to 5.832 million in 2019, which increased by 4.3% from 2018.

(Unit: thousand, %)

	2014	2015	2016	2017	2018	2019	Share
Active enterprises	5,559	5,554	5,776	6,051	6,250	6,527	100.0
(Year-on-year)	(3.4)	(-0.1)	(4.0)	(4.8)	(3.3)	(4.4)	
Corporate enterprises	512	548	585	621	657	695	10.6
(Year-on-year)	(6.6)	(7.0)	(6.7)	(6.2)	(5.7)	(5.8)	
Sole proprietorships	5,046	5,005	5,191	5,429	5,593	5,832	89.4
(Year-on-year)	(3.1)	(-0.8)	(3.7)	(4.6)	(3.0)	(4.3)	

- As for active enterprises by industry, 'Information and Communications' (8.9%), 'Professional, Scientific and Technical Activities' (8.0%) and 'Real Estate Activities' (7.8%) showed a high year-on-year increase.

- As for the share of active enterprises by industry, 'Real Estate Activities' (22.5%), 'Wholesale and Retail Trade' (22.0%) and 'Accommodation and Food Service Activities' (13.1%) accounted for 57.6% of the total active enterprises.

- In 2019, enterprises recording annual sales of 'Less than 50 million won' marked 3.25 million, which accounted for 49.8% of the total active enterprises.

	2014	2015	2016	2017	2018	2019
■ Enterprises recording annual sales of 'Less than 50 million won'	2,937	2,808	2,891	2,996	3,082	3,250
Share (%)	52.8	50.6	50.0	49.5	49.3	49.8

- One-person active enterprises amounted to 5.146 million, which occupied 78.9% of the total active enterprises. This share remained the same as 2018.

	2014	2015	2016	2017	2018	2019
■ One-person enterprises (thousand)	4,543	4,451	4,591	4,802	4,930	5,146
Share (%)	81.7	80.1	79.5	79.4	78.9	78.9

- Active enterprises with female CEOs amounted to 2,542 million, which accounted for 38.9% of the total active enterprises. This share showed a gradually expanding trend.

	2014	2015	2016	2017	2018	2019
▪ Enterprises with female CEOs (thousand)	2,091	2,108	2,208	2,328	2,418	2,542
Share (%)	37.6	38.0	38.2	38.5	38.7	38.9

- As for active enterprises by age group of CEOs, enterprises whose CEOs were '60 or more' increased by 11.7%, while enterprises whose CEOs were '30 ~ 39' decreased by 0.2%.

- As for the share of active enterprises by age group of CEOs, enterprises whose CEOs were '50 ~ 59' showed the highest figure at 31.6%, which was followed by enterprises whose CEOs were '60 or more' (26.1%).

	Total	29 or less	30 ~ 39	40 ~ 49	50 ~ 59	60 or more
▪ Active enterprises (thousand)	6,527	209	851	1,696	2,063	1,701
Year-on-year (%)	4.4	6.4	-0.2	0.6	3.8	11.7
Share (%)	100.0	3.2	13.0	26.0	31.6	26.1

## Birth enterprises

**In 2019, the number of birth enterprises was 997 thousand, rising by 8.4% from 2018.**

- In 2019, the number of birth enterprises was 997 thousand, rising by 77 thousand (8.4%) from 2018.

- In 2019, the birth rate of enterprises stood at 15.3%, up 0.6%p from 2018.

- Among birth enterprises, corporate enterprises marked 76 thousand in 2019, rising by 10.3% from 2018. Sole proprietorships marked 920 thousand in 2019, rising by 8.2% from 2018.

- Corporate enterprises and sole proprietorships recorded 7.7% and 92.3% of the total birth enterprises, respectively.

(Unit: thousand, %)

Classification	2014	2015	2016	2017	2018	2019	Share
Birth enterprises	843	813	876	913	920	997	100.0
Birth rates	15.2	14.6	15.2	15.1	14.7	15.3	
Corporate enterprises	68	66	69	68	69	76	7.7
(Year-on-year)	(9.5)	(-3.4)	(4.5)	(-1.2)	(1.9)	(10.3)	
Sole proprietorships	775	747	808	845	851	920	92.3
(Year-on-year)	(12.8)	(-3.5)	(8.1)	(4.7)	(0.6)	(8.2)	

- As for birth enterprises by industry, 'Transportation and Storage' (29.2%), 'Membership Organizations, Repair and Other Personal Services' (13.7%) and 'Professional, Scientific and Technical Activities' (13.0%) showed a high year-on-year increase rate.

- The birth enterprises of 'Real Estate Activities' (25.3%), 'Wholesale and Retail Trade' (20.3%) and 'Accommodation and Food Service Activities' (16.7%) took up 62.3% of the total birth enterprises.

- One-person birth enterprises amounted to 893 thousand, which increased by 8.8% from 2018. This figure occupied 89.6% of the total birth enterprises.
- The birth enterprises showed a year-on-year increase in all age groups of CEOs including CEOs of '60 or more' (27.4%).
  - As for the share of birth enterprises by age group of CEOs, enterprises whose CEOs were '40 ~ 49' showed the highest figure at 27.7%, which was followed by enterprises whose CEOs were '50 ~ 59' (25.7%).

**Death enterprises**

**In 2018, the number of death enterprises was 692 thousand, falling by 0.9% from 2017.**

- In 2018, the number of death enterprises\* was 692 thousand, dropping by 6 thousand (-0.9%) from 2017.
  - In 2018, the death rate of enterprises stood at 11.1%, down 0.4%p from 2017.
    - \* Enterprises that were active in the year (x) and were not active in the following year of the year (x+1) were counted as death enterprises for the year (x).
- Among death enterprises, corporate enterprises marked 45 thousand in 2018, rising by 8.5% from 2017. Sole proprietorships marked 647 thousand in 2018, dropping by 1.5% from 2017.
  - Corporate enterprises and sole proprietorships recorded 6.6% and 93.4% of the total death enterprises, respectively.

(Unit: thousand, %)

Classification	2014	2015	2016	2017	2018	Share
Death enterprises	777	640	626	698	692	100.0
Death rates	14.0	11.5	10.8	11.5	11.1	
Corporate enterprises	39	39	40	42	45	6.6
(Year-on-year)	(-4.6)	(1.4)	(1.4)	(4.4)	(8.5)	
Sole proprietorships	738	601	586	656	647	93.4
(Year-on-year)	(18.3)	(-18.6)	(-2.4)	(12.0)	(-1.5)	

- As for death enterprises by industry, 'Transportation and Storage' (-13.0%), 'Membership Organizations, Repair and Other Personal Services' (-8.0%) and 'Accommodation and Food Service Activities' (-4.8%) recorded a high year-on-year decrease rate.
  - The death enterprises of 'Wholesale and Retail Trade' (25.3%), 'Real Estate Activities' (20.5%), and 'Accommodation and Food Service Activities' (20.0%) took up 65.8% of the total death enterprises.
- One-person death enterprises amounted to 634 thousand, which decreased by 1.6% from 2017. This figure occupied 91.6% of the total death enterprises.
- The death enterprises showed a year-on-year decrease in all age groups of CEOs excluding CEOs of '29 or less' (4.8%).

- As for the share of death enterprises by age group of CEOs, enterprises whose CEOs were '50 ~ 59' showed the highest figure at 27.2%, which was followed by enterprises whose CEOs were '40 ~ 49' (27.1%).

## Survival rates\*

**In 2018, the 1-year survival rate of enterprises born in 2017 stood at 63.7%, falling by 1.3%p from 2017.**

- Among active enterprises in 2018, the 1-year survival rate of enterprises born in 2017 and still alive in 2018 stood at 63.7%, down 1.3%p compared to 2017. Among active enterprises in 2018, the 5-year survival rate of enterprises born in 2013 and still alive in 2018 stood at 31.2%, up 1.9%p compared to 2017.

\* The survival rate of birth enterprises indicates the percentage of sustained enterprises as of the 'reference year' after the birth of enterprises 1 year - 5 years ago.

- In 2018, the 1-year survival rate of corporate enterprises stood at 72.1%, down 0.6%p from 2017. In 2018, the 5-year survival rate of corporate enterprises stood at 39.9%, down 0.4%p from 2017.
- In 2018, the 1-year survival rate of sole proprietorships stood at 63.1%, down 1.2%p from 2017. In 2018, the 5-year survival rate of sole proprietorships stood at 30.4%, up 2.0%p from 2017.

(Unit: %)

Classification	2014	2015	2016	2017	2018
1-year survival rates	62.4	62.7	65.3	65.0	63.7
Corporate enterprises	72.0	73.2	72.5	72.7	72.1
Sole proprietorships	61.5	61.7	64.7	64.3	63.1
5-year survival rates	-	-	28.6	29.3	31.2
Corporate enterprises	-	-	37.7	40.3	39.9
Sole proprietorships	-	-	28.0	28.4	30.4

- As for 1-year and 5-year survival rates by industry, 'Electricity, Gas, Steam and Air Conditioning Supply' (1-year survival rate: 90.6%, 5-year survival rate: 79.3%) recorded the highest figure. Whereas, 'Financial and Insurance Activities' (1-year survival rate: 51.9%, 5-year survival rate: 17.6%) recorded the lowest figure.

### < 1-year survival rates >

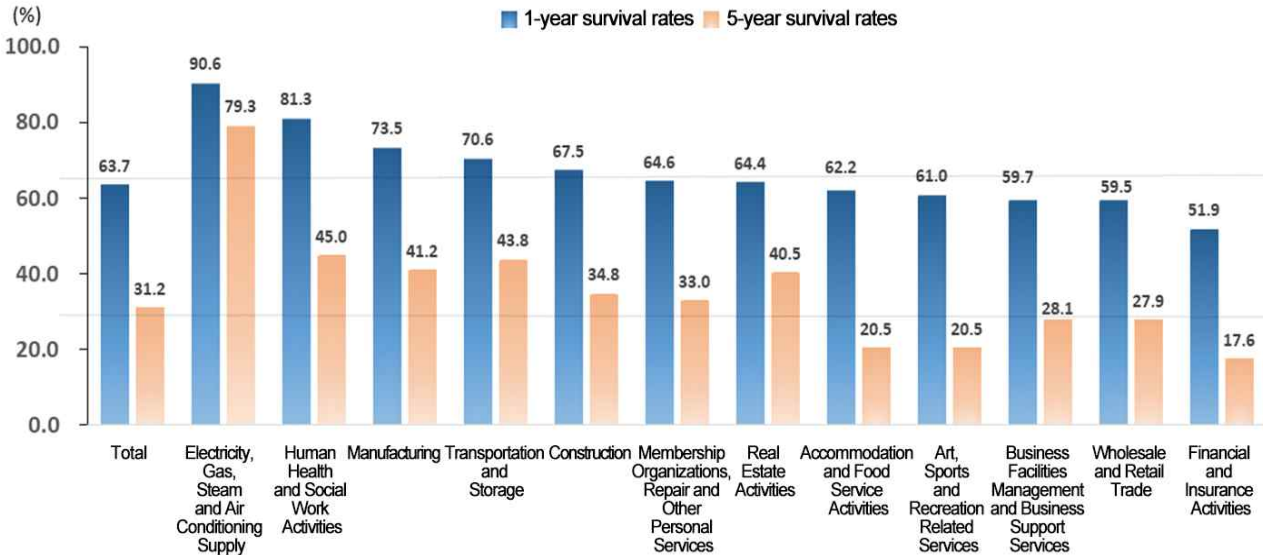
- \* Top industries: Electricity, Gas, Steam and Air Conditioning Supply (90.6%), Human Health and Social Work Activities (81.3%), Manufacturing (73.5%)
- \* Bottom industries: Financial and Insurance Activities (51.9%), Wholesale and Retail Trade (59.5%), Business Facilities Management and Business Support Services (59.7%)

< 5-year survival rates >

\* Top industries: Electricity, Gas, Steam and Air Conditioning Supply (79.3%), Human Health and Social Work Activities (45.0%), Transportation and Storage (43.8%)

\* Bottom industries: Financial and Insurance Activities (17.6%), Art, Sports and Recreation Related Services (20.5%), Accommodation and Food Service Activities (20.5%)

< 1-year and 5-year survival rates of major industries >



**High-growth enterprises and gazelles**

**In 2019, the number of high-growth enterprises was 4,449, dropping by 3.3% from 2018. In 2019, the number of gazelles was 1,246, rising by 7.5% from 2018.**

□ In 2019, the number of high-growth enterprises was 4,449, which decreased by 151 (3.3%) from 2018.

\* High-growth enterprises refer to enterprises with average annualised growth greater than 20% per annum, over the 3-year period, in terms of annual sales and regular workers.

○ As for high-growth enterprises by industry, 'Manufacturing' (134 enterprises) and 'Business Facilities Management and Business Support Services' (78 enterprises) showed a year-on-year decrease. Whereas, 'Information and Communications' (57 enterprises) showed a year-on-year increase.

- 'Manufacturing' showed the highest share of high-growth enterprises at 27.9%, which was followed by 'Wholesale and Retail Trade' (15.6%) and 'Construction' (11.1%).

□ In 2019, the number of gazelles was 1,246, which increased by 87 (7.5%) from 2018.

\* Gazelles refer to high-growth enterprises with business registration for 5 years or less.

○ As for gazelles by industry, 'Human Health and Social Work Activities' (26 enterprises) and 'Construction' (19 enterprises) showed a year-on-year increase. Whereas, 'Business Facilities Management and Business Support Services' (20 enterprises) showed a year-on-year decrease.

- 'Manufacturing' recorded the highest share of gazelles at 27.0%, which was followed by 'Wholesale and Retail Trade' (17.1%) and 'Information and Communications' (11.6%).

< High-growth enterprises and gazelles by year >

(Unit: each, %)

Classification	2014	2015	2016	2017	2018	2019
High-growth enterprises	4,263	3,998	4,100	4,521	4,600	4,449
Year-on-year	-6.7	-6.2	2.6	10.3	1.7	-3.3
Gazelles	1,060	998	1,099	1,187	1,159	1,246
Year-on-year	-0.7	-5.8	10.1	8.0	-2.4	7.5