

## Industry Market Snapshot

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[5416] Management, Scientific, and Technical Consulting Services

Sector: Professional-Scientific-technical Services

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Time Series Coverage:	
	2010
	2011q2

Industry Population Analyzed		
as of:	2010	2011q2
Firms	62	69
Establishments	69	76
Small Businesses	57	65
Branches	7	7

The **Industry Population** table displays the number of firms in the industry for four groups:

**Establishments:** Firms plus Branch operations.

**Firms:** Independent companies.

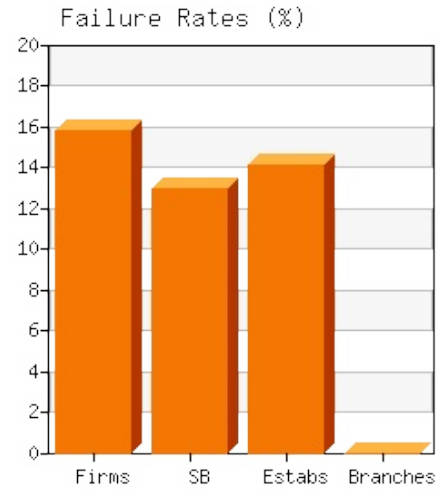
**Small Businesses:** In order to focus the analysis on the small businesses of greatest interest to our users, the analysis defines small businesses as single site firms with fewer than 25 employees. All small businesses are also "firms".

**Branches:** Subsidiary facilities of firms; non-headquarters operations.

**Startups:** Startup information is consolidated in the section Startup Activity and Trends on P5.

## Failure Rates

Failure Rates	
2010q2 to 2011q2	Failure Rates
Establishments:	14.06%
Firms:	15.79%
Small Businesses:	12.96%
Branches:	0.00%



**Failure Rates:** Failure rates track the actual experience of business establishments, firms, small businesses, branches and startups doing business at the start of the time series, and still in operation today. Startup failure rates are displayed separately in the section Startup Activity and Trends on P5.

"Survivors" are business operations within a given category which have maintained operations during the time series.

Failure rates for all industries are specific to the selected industry and market area. The failure rate times series may be up to six months shorter for business segments within these industry groups: NAICS-722xxx; NAICS-541110; NAICS-621111.

Firms which have experienced a transfer in ownership but continue as independent firms are considered "survivors". Firms which relocate but maintain independent operations are considered survivors if they do not move out of the jurisdiction being analyzed. Firms which are purchased or merge and become subsidiary locations, or whose location is terminated, are grouped with the "failures". Any business entity which does not evidence ongoing operations (for example, by registering with government agencies, credit reporting services or business directories) is considered to have ceased viable operations and is classified with the "failures".

The Failure rate analysis is developed for discrete business segments by segregating the original pool of tracked firms by industry classification, location, and population segment (all firms, small businesses, startups etc.) That beginning universe is segregated and tracked to develop the failure rate for that group.

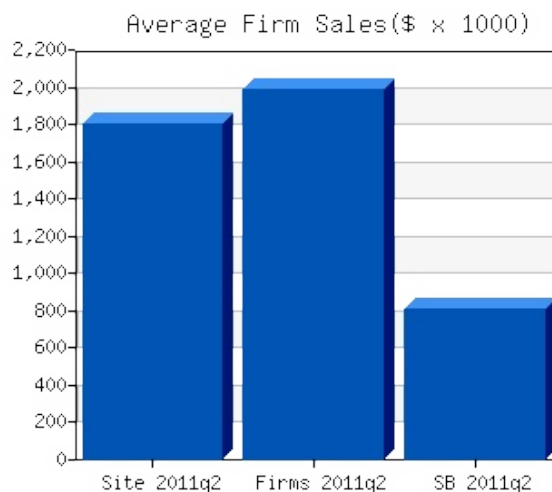
As a result, failure rates occasionally reflect performance above 100% or below 0% due to business migration among industries (changes in primary business line) or (in the case of location-specific failure rates) due to business relocations during the analysis period. Migrants within a NAICS-2 industry sector are considered as survivors in the in-migrant classification.

## Industry Market Volume, Average Sales and Sales Trends by Employment Class

Annual Market Volume (\$)	
as of	Operation-based
2010	141,752,298
2011q2	137,285,533

**Annual Market Volume** reports sales volume of local industry business operations, based on the number of local industry employees and sales per employee data developed by BizMiner. This number includes headquarters operations and branches of any industry firms located within the selected area. It excludes branch operations located outside the area. Local subsidiaries of firms headquartered outside the country are included. The local Annual Market Volume figure is an indicator of the actual sales of an industry transacted within the selected area. Statistics in our reports are always based on firms that identify a particular classification as their primary line of business. This is important for researchers assessing market volume, which in our reports is based on businesses primarily in a given classification, and does not include sales data for firms which may operate this type of business as a secondary or tertiary line.

Average Annual Sales		
	as of:	
	2010	2011q2
Site Sales	2,054,381	1,806,389
Firms	2,286,327	1,989,645
Small Business	797,034	806,323



**Average Annual Sales:** The Average Annual Sales table displays “snapshot” average dollar sales for all industry sites (including branches), firms, and small businesses in each of the three years in the time series. Site Sales are calculated using the Operation-based Market Volume figure described at the top of the page to capture locally transacted average sales.

While there is significant overlap of firms in each category between years, results can be affected by business failures, mergers and the migration of companies between the three categories. Migration between business classifications has a much lesser impact in most cases.

## Sales Trends by Employment Class

The Market Volume by Employment Class table displays the total market sales of industry operations which fall into each of eleven employment brackets. Data is displayed in millions of dollars. Projected sales of operations for which sales cannot be ascertained are noted in the Unknown column and are based on average industry site sales in the market area.

Market Volume by Employment Class (\$ Million)											
as of	1 to 4	5 to 9	10 to 24	25 to 49	50 to 99	100 to 249	250 to 499	500 to 999	>1,000	Unknown	Total
2010	18.9	14.4	21.3	7.2	37.0	42.9	0.0	0.0	0.0	0.0	141.8
2011q2	21.1	16.8	23.7	7.2	25.4	43.0	0.0	0.0	0.0	0.0	137.3

The Percent Market Volume by Employment Class table displays the market share within each employment class, making it easy to see whether the market is dominated by small or larger operations.

Percent Market Volume by Employment Class											
as of	1 to 4	5 to 9	10 to 24	25 to 49	50 to 99	100 to 249	250 to 499	500 to 999	>1,000	Unknown	Total
2010	13.34%	10.18%	14.99%	5.09%	26.13%	30.26%	0.00%	0.00%	0.00%	0.00%	100.00%
2011q2	15.38%	12.25%	17.24%	5.27%	18.52%	31.34%	0.00%	0.00%	0.00%	0.00%	100.00%

The Average Sales by Employment Class table calculates the average sales within each operational employment bracket, suggesting benchmarks for operations within each.

Average Sales by Employment Class											
as of	1 to 4	5 to 9	10 to 24	25 to 49	50 to 99	100 to 249	250 to 499	500 to 999	>1,000	unknown	Total
2010	439,844	1,109,901	3,036,157	7,214,354	12,348,893	21,448,078	0	0	0	0	2,054,381
2011q2	440,018	1,121,230	2,957,897	7,235,847	12,711,623	21,511,978	0	0	0	0	1,806,389

## Employment Class Trends

**Establishments by Employment Class:** Using the same general format as the previous Market Volume by Employment Class table, the Establishments by Employment Class analysis displays the distribution of industry establishments (not just firms, and including branches) among ten employment size categories. An eleventh column on the right reports the number of industry establishments which do not identify employment data, followed by total establishment figures. The Unknown column reflects a projection made for non-reporting firms, based on average industry operational scale.

Establishments by Employment Class											
as of	1 to 4	5 to 9	10 to 24	25 to 49	50 to 99	100 to 249	250 to 499	500 to 999	>1,000	unknown	Total
2010	43	13	7	1	3	2	0	0	0	0	69
2011q2	48	15	8	1	2	2	0	0	0	0	76

**Total Employment by Class:** This table presents the total employment reported in each employment class bracket. The Unknown column reflects a projection made for non-reporting firms, based on average industry operational scale.

Total Employment by Class											
as of	1 to 4	5 to 9	10 to 24	25 to 49	50 to 99	100 to 249	250 to 499	500 to 999	>1,000	unknown	Total
2010	97	74	109	37	190	220	0	0	0	0	727
2011q2	108	86	121	37	130	220	0	0	0	0	702

The **Average Employment by Class** table calculates the average number of employees within each employment bracket.

Average Employment by Class											
as of	1 to 4	5 to 9	10 to 24	25 to 49	50 to 99	100 to 249	250 to 499	500 to 999	>1,000	unknown	Total
2010	2	6	16	37	63	110	0	0	0	0	11
2011q2	2	6	15	37	65	110	0	0	0	0	9

## Sales Per Employee

Annual Sales per Employee	
as of	Industry
2010 SPE:	194,983
2011q2 SPE:	195,563

**Sales per Employee:** As a common indicator of productivity Sales per Employee data is presented. Local reports generally calculate industry-specific local sale per employee data. Where localized data is unavailable, industry-specific projections may be applied from larger market areas.

## Industry Startup Trends and Activity

**Industry Entrepreneurship Performance:** This analysis considers only startup firms, excluding new branch operations. Corresponding small business and industry-wide benchmarks for average annual sales, market volume and share, and failure rates can be found beginning on P2 of the report.

Industry Entrepreneurship Performance	
2011q2 Startup Firms	13
Average Startup Sales	767,210
Total Startup Firm Market Volume	9,973,735
Startup Firm Market Share	7.26%
2010q2 Startup Firms	4
Year-end 2011q2 Startup Survivors	2
Startup Firm Failure Rate	50.00%

Industry Startup Activity	
Local Industry Startup Firms	13
Local Industry New Branches	1
Local Industry Startup Rate	18.42%
US Industry Startup Rate	12.42%
Local Industry Startup Index	1.48

**Industry Startup Activity:** The Local Industry Startup Rate considers both new firms and newly developed branch operations. It measures the percentage of local industry startups which indicate one year or less of operation during the one-year period reflected by the Time Series table -- and which maintained operation through the end of the time series. These startup operations are compared to the number of all local operations in the industry for which ages can be identified to create the Startup Rate. This is then compared to the US Industry Startup Rate, the national industry-specific startup percentage. The Local Industry Startup Index benchmarks the local industry rate against national industry patterns, expressed as a two-digit decimal where the US industry rate equals 1.00. An Index of 1.10 indicates a local rate 10% above the national average.

## Industry Vitality Trends

Industry Concentrations (% of total area)		
	2010	2011q2
Establishments	1.3764%	1.5161%
Employment	1.2017%	1.1604%
Sales	1.2219%	1.1799%

**Industry Concentrations:** The **Establishment Concentration** compares the number of operating establishments in this industry and market area to those in the market area economy overall. The **Employment Concentration** is comparably analyzed, displaying reported employment in the local industry to the economy. The corporate-based **Sales Concentration** shows the industry percentage of total local economy-wide sales. (Corporate-based sales data attributes company-wide sales to the location of headquarters operations.)

Consolidation Trends	
Local Industry Branch Concentration 2010:	10.14%
Local Industry Branch Concentration 2011q2:	9.21%
US Industry Branch Concentration 2010:	4.66%
US Industry Branch Concentration 2011q2:	4.70%

**Consolidation Trends:** The Consolidation Trends table displays local industry data reflecting the percentage of branch operations to all establishments (**Area Branch Concentration**), and compares that to national data reflecting national industry branch operation percentages (**US Industry Branch Concentration**). Taken together, the two measures indicate increasing or decreasing trends toward industry consolidation, either as a stand-alone metric or benchmarked against economy-wide patterns.

## About the Data

Raw data analyzed for BizMiner reports is sourced from an array of the nation's government and private statistical sources. None of these raw data sources creates the final measures reflected in BizMiner industry profiles. In total, BizMiner accesses over a billion sourced data points from 15 million business operations for each of its twice annual updates covering a 3-5 year time series. Historical data and BizMiner algorithms are used to inform and test projections for non-reporting firms. Data elements are sourced specifically from:

- IRS SOI Corporation Income Tax Returns
- IRS SOI Corporation Tax Book
- IRS SOI 1040 Schedule C Income Tax Returns
- IRS SOI Statistics of Income- Individual Tax Statistics
- US Economic Census of Manufactures
- US Census Economy Overview
- US Census Annual Survey of Manufactures
- US Census Annual Retail Trade Survey
- US Census Annual Wholesale Trade Survey
- US Census Quarterly Financial Reports
- US Census County Business Patterns
- Bureau of Labor Statistics Monthly Employment Reports
- Bureau of Labor Statistics Monthly Unemployment Reports
- US Census Wholesale Trade Report
- US Census Quarterly (New Housing) Sales by Price and Financing
- US Census Total Construction Spending
- US Census Retail Trade Report
- US Census Quarterly Services Survey
- Commercial Real Estate Survey
- Credit Reporting Agencies
- InfoGroup, Inc.
- Business Directories

While 100% firm coverage is desirable for analysis purposes, the greatest value of BizMiner reports rests in discerning patterns of activity, which are reflected in the large samples used to develop our reports. The overall current coverage of the databases surpasses 13 million active business operations at any point in time.

As is the case with any databases this large, some errors are inevitable. Some firms are missed and specific information on others is lacking from the database. Not all information received is uniform or complete, resulting in the need to develop projection algorithms for specific industry segments and metrics in some report series. No representation is made as to the accuracy of the databases utilized or the results of subsequent analyses. Neither the Brandow Company nor its resellers has undertaken independent primary research to confirm the accuracy of the data utilized in the Profile analyses. Neither the Brandow Company nor its resellers are responsible for conclusions drawn or decisions made based upon this data or analysis. In no event will the Brandow Company or its resellers be liable for any damages, direct, indirect, incidental or consequential resulting from the use of the information contained in BizMiner reports.