



WEST MICHIGAN

MIDDLE MARKET REPORT

MIDDLE MARKET PROFILE

- Middle market companies represent 4% of all West Michigan businesses (1,200 total companies)
- West Michigan middle market companies generate over 1/3 of all revenue in the region, more than \$55B in annual revenue.
- On average, West Michigan middle market firms generate \$46.9M per company
- Middle marketing companies in West Michigan employ over 25% of all jobs in the region (200,000 jobs)
- On average, West Michigan middle market firms employ 168 workers per company

MIDDLE MARKET TRENDS

- Nearly 75% of middle market companies in the region report increasing revenues
- Nearly 2/3 of middle market companies report increasing local employment trends
- Over 50% of middle market companies have plans to or are currently expanding their business within the region
- Over 50% of middle market companies report their primary product or service they provide is growing - 10% report their primary product/service is emerging
- Over 50% of middle market companies report the market share of their product/service is increasing

MIDDLE MARKET BY INDUSTRY

MANUFACTURING

- 20% (500) of all manufacturing companies are considered middle market.
- Nearly 50% of all regional manufacturing revenue is generated by middle market manufacturers
- Over 60% of manufacturing jobs are within middle market manufacturing companies

BUSINESS SERVICES

- 2% (60) of all Business Service companies are considered middle market
- Over 25% of all regional Business Services revenue is generated by middle market service companies
- 15% of all Business Services jobs are within middle market companies in WM

WHOLESALE OF DURABLE GOODS

- Over 15% of durable good wholesalers are middle market
- Over 2/3 of durable good wholesale employees work for middle market companies

WEST MICHIGAN MIDDLE MARKET REPORT

WEST MICHIGAN'S MIDDLE MARKET OVERVIEW

	Middle Market Companies	All West Michigan Companies	Middle Market Share
Est # of establishments	1,200	30,850	4%
Est Annual Sales	\$56.2B	\$142.5B	39%
Est Employees	201,800	772,600	26%

MANUFACTURING

	Middle Market Companies	All West Michigan Manufacturing Companies	Middle Market Share
Est # of establishments	519	2,540	20%
Est Annual Sales	\$27.2B	\$57.1B	48%
Est Employees	94,370	151,815	62%

BUSINESS SERVICES

	Middle Market Companies	All West Michigan Bus. Service Companies	Middle Market Share
Est # of establishments	90	4,375	2%
Est Annual Sales	\$2.87B	\$9.87B	29%
Est Employees	14,950	105,000	14%

WHOLESALE OF DURABLE GOODS

	Middle Market Companies	All West Michigan Wholesale Companies	Middle Market Share
Est # of establishments	145	920	16%
Est Employees	12,164	18,456	66%

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DISTRIBUTION OF FIRMS BY INDUSTRY

	% Share of share of middle market firms	% share of middle market sales	% share of middle market employees
Natural Resources	1%	9%	1%
Construction	6%	4%	4%
Manufacturing	43%	48%	47%
Transportation	4%	3%	4%
Telecom	1%	1%	1%
Utilities	1%	0.4%	0.4%
Wholesale Trade	12%	11%	6%
Retail Trade	16%	16%	13%
Finance	2%	1%	2%
Insurance	1%	2%	1%
Real Estate	1%	0.3%	0.3%
Business Services	8%	5%	7%

WHAT MAKES THE MIDDLE MARKET IMPORTANT?

- Middle market firms are defined by their annual revenue (\$10MM-\$1B)
- Middle market firms make a massive contribution to the regional economy
- Middle market companies have fueled the post-recession job gains
- Middle market firms are more likely than average to be in manufacturing or wholesale trade of durable goods
- Middle market firms are more likely to export goods and services across the western hemisphere
- Foreign Direct Investment in the US is often done by international middle market firms

Methodology Notes:

This report is based on an analysis of all West Michigan firms in the Dow Jones Factiva database that is based on the Dun & Bradstreet's commercial databases of nearly 19 million businesses. Proprietary data housed with The Right Place, Inc. was also used to fill gaps and hone data accuracy within the D&B database. Additional data sources include Economic Modeling Specialists International (EMSI)/www.economicmodeling.com.

