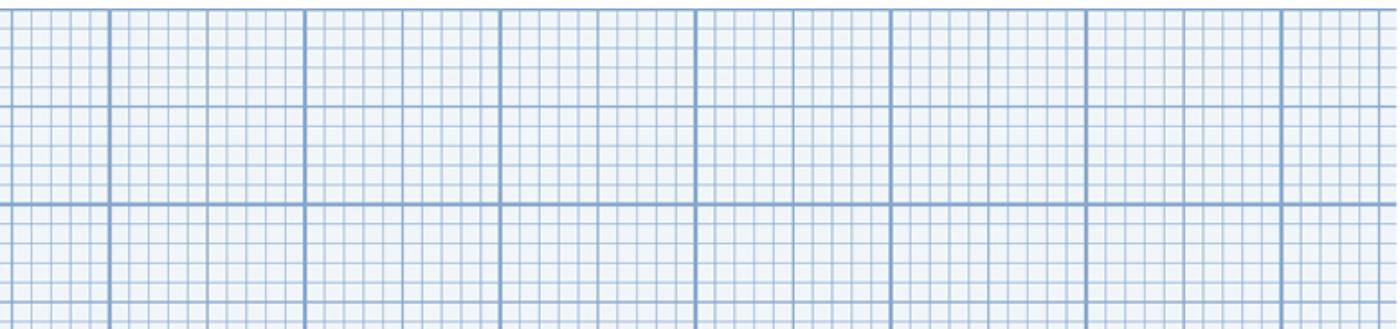




# ANNUAL ECONOMIC SURVEY



2017 SURVEY RESULTS FOR DANE COUNTY



## COMMUNITY PARTNERS:



KENOSHA AREA  
BUSINESS ALLIANCE



# 2017 FIRST BUSINESS ECONOMIC SURVEY REPORT —DANE COUNTY—

## **The Big Picture--DANE COUNTY**

2017 was the fourth strong year in a row, both in terms of Sales Revenue and Profitability, and although it didn't measure up to the historic highs attained in 2014, it was still one of the best years in the 15-year span of the Dane County First Business Economic survey. The percentage of companies adding new staff was just below historic high levels, and nearly 8 out of 10 increased wages, exceeding the previous historic high observed more than a decade ago. The percentage of companies that actually decreased Capital Expenditures marked a new historic low, and more than 9 out of 10 companies increased or maintained their capital expenditure levels.

The outlook for 2018 remains very optimistic: The portion of companies that project increased Sales and Profits is slightly lower but remains very strong, and those projecting a decline in sales and profits are at or near historic lows. Those expected to increase hiring are at a new historic high, and 8 out of 10 respondents expect further improvements in overall business performance in 2018, while just 1% expect a decline.

Although there is some uncertainty that could affect business activity (such as possible changes to the Affordable Care Act, corporate and individual tax rates, deductions, and potential political upheaval), it doesn't seem to have affected current business performance or optimism for the year ahead. Business leaders say they're capitalizing on the positive results by planning to diversify their client base in 2018, create processes for generating innovative business ideas, creating or expanding leadership training tailored specifically to their needs, and investing in metrics. Whether that materializes, and makes companies better prepared for the next economic downturn—whenever it may occur—remains to be seen.

## **Overall Performance—Actual and Projected**

Thirty percent of respondents indicated that 2017 was better than expected in terms of overall performance (unchanged from the previous year), and 50% reported that 2017 performance lived up to their expectations (up from 44% in 2016 and 39% the year before). It's important to consider the context; overall business performance expectations for 2017 were very strong to begin with, so the fact that an impressive 80% of all respondents met or exceeded those expectations is a very positive outcome. The companies that realized better-than-expected overall business performance attribute that improvement primarily to increased marketing efforts, improved internal efficiencies, and improved sales efforts (these three were almost tied,

and followed by investments in new talent). Twenty percent of companies reported overall performance falling short of expectations in 2017 (down from 26% the previous year), and attributed it to higher operating costs, skills shortages, and a domestic sales shortfall.

Looking ahead, 79% expect to perform better in 2018 (up ten percentage points from the previous year), and just 1% expect a worse overall business performance in 2018 than they had in 2017 (down from 4% last year). That means that nearly every company expects their overall business performance to be the same or better in 2018, and since the benchmark is an already strong 2017, this suggests undiminished ongoing optimism.

While the business climate continues to be marked by strong performance and optimism, companies are planning to take action in 2018. Asked about their top three priorities, more than half plan to act on diversifying their client base; a third plan to create a process for generating innovative business ideas, and 30% plan to create or expand a leadership training curriculum tailored to their company.

### **Sales—Actual and Projected**

The percentage of companies that saw an increase in actual sales decreased from 71% in 2016 to 65% in 2017 (returning to the percentage reported in 2015). The percentage of companies recording a decrease in actual sales in 2017 remained at the previous year's historic low of 10%.

There is still optimism for the year ahead; 75% expect an increase in projected sales for 2018 (down 3% from the previous year), but a new historic low 3% expect a decrease in 2018 projected sales.

### **Profitability—Actual and Projected**

Fifty-two percent of Dane County companies reported an increase in actual profitability in 2017, down from 57% the previous year. The percentage of respondents who reported a decrease in actual profitability was 20% (a single percentage point above the historic low reported in 2016). Fifty-nine percent expect an increase in 2018 projected profitability (down just 1% the previous year), and 8% expect a decrease in projected profitability for 2018, which is just above the historic low.

### **Employment and Wages—Actual and Projected**

Forty-eight percent of respondents reported an increase in actual number of employees in 2017, down from the previous year's historic high 51%, and a new historic high 53% say their projected number of employees in 2018 will be higher as well. Only 2% of respondents expect a decrease in their projected number of employees for 2018, another historic low.

Seventy-eight percent of respondents saw actual wages increase in 2017, surpassing the previous historic high set in 2006. Three percent reported a decrease in actual wages, which was unchanged from 2016 and still close to the 1% historic low set in 2015. Seventy-six percent anticipate an increase in 2018 projected wages (down 2% from the previous year), and 2% expect

a decrease in projected 2018 wages, just one percentage higher than the previous year's historic low.

### **Capital Expenditures, Operating Cost as a % of Revenue, and Pricing—Projected and Actual**

Forty-one percent of respondents reported an increase in actual capital expenditures in 2017, up 3% from the previous year. Eight percent reported a decrease, marking a new historic low. Projections for 2018 are along the same lines; 38% expect an increase in projected capital expenditures (unchanged), and those who expect a projected capital expenditures decrease in 2018 are at 9%, a single point above the historic low.

Fifty-one percent reported an increase in actual total operating cost as a percentage of revenue in 2017, up 8% from the previous year. In 2018, 37% expect an increase in projected total operating cost as a percentage of revenue; a single percentage point higher than the previous year.

Fifty-four percent saw an actual pricing increase (up from 47%), and just 1% saw an actual pricing decrease in 2017; a new historic low. Next year's projections include 58% of respondents expecting a pricing increase, while none project a pricing decrease (a new historic low).

### **Industry Snapshot—Manufacturing**

The percentage of respondents expecting an increase in actual sales increased sharply in 2017 from 53% to 76%, setting a new historic high. Ninety percent project a Sales increase for 2018, a new historic high. Profitability saw a 10% increase to 63% in 2017 (a historic high), and 65% expect projected profitability to increase in 2018 (down from 82% the previous year).

Fifty-two percent report an increase in their number of employees, just 4% below the historic high, but the percentage of those projecting an increase in the number of employees for 2018 jumped from 47% to 71%; a historic high. The percentage of those experiencing a decrease in number of employees set a new historic low at 5% in 2017, but none project a decrease in 2018 (matching the historic low set in 2015). Eighty-six percent reported an increase in wages (up sharply from 59% the previous year), and 95% project wage increases in 2018; a new historic high.

Forty-three percent reported an increase in actual capital expenditures (ten points below last year's historic high), while those projecting an increase in 2018 was 48% (a historic high). Thirty-two percent reported an increase of total operating cost as a percentage of revenue in 2017, and 31% project an increase for 2018. Finally, 38% reported price increases in 2017, and a historic high 65% project increases in 2018.

### **Industry Snapshot—Professional Services**

Seventy-two percent reported an actual sales increase, down from the previous year's 87% historic high, but a historic high 83% project a sales increase in 2018. Sixty percent recorded an increase in actual profitability in 2017 (down from the previous year's historic high 72%) and 62%

project an increase in 2018 (up 6% from the previous year). Just 5% project a sales decrease in 2018, a historic low.

Employment growth remained strong, with 56% reporting an increase in the actual number of employees (just 1% below the previous year's historic high). Fifty-nine percent expect an increase in staff levels in 2018 as well, just 2% below the historic high recorded last year. Seventy-four percent report an increase in wages, while 71% project an increase in 2018.

Forty-four percent report increased actual capital expenditures in 2017, and 32% expect a further increase in 2018 (unchanged from the previous year). Forty-nine percent recorded an increase in total operating cost as a percentage of revenue (up from 43%), and 32% project an increase in 2018. Fifty-one percent reported an actual pricing increase, and 49% project a pricing increase in 2018. None project a price decrease; a new historic low.

### **Industry Snapshot—Non-Profit**

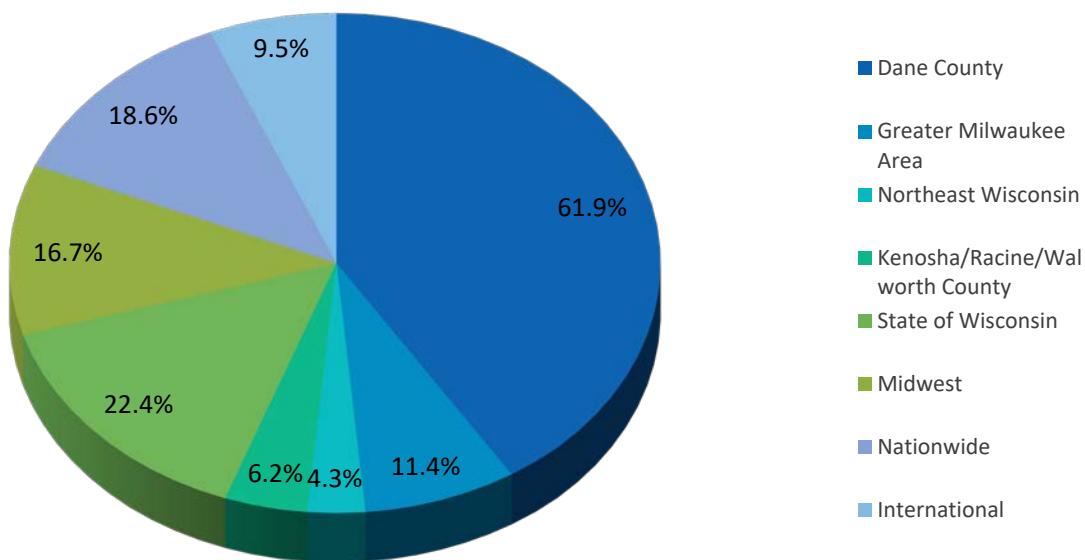
Since this is only the third year that Non-Profit has been a distinct industry category, historic lows and highs are still not very meaningful. Still, just 8% of non-profits saw a decrease in revenues from the previous year, and 40% increased their number of employees in 2017. Forty-four percent expect to increase hiring in 2018, and 92% expect to increase wages. Thirty-eight percent increased capital expenditures in 2017, and 54% project an increase in capital expenditures for 2018 (just 8% project a decrease).

### **About the 2017 First Business Economic Survey**

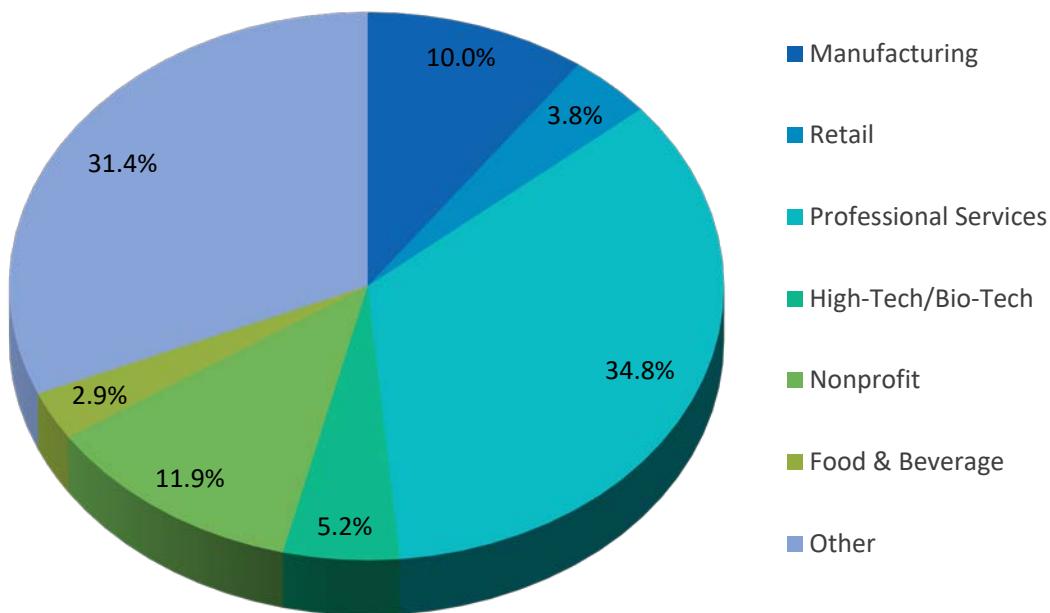
The 2017 First Business Economic Survey was completed by 318 respondents in 4 regions in Wisconsin, with 214 coming from Dane County. The survey was distributed electronically and was completed over a period of 6 weeks (late September to early November 2017) to individuals known to be decision makers (typically owners, CEOs, CFOs, etc.) Respondents self-reported their industry; in Dane County 35% were in Professional Services, 12% in Non-Profit, 10% in Manufacturing, and others from High Tech/Biotech, Food and Beverage, Retail, and other sectors. Historic high and low numbers, as well as trend data points over a 5-year-period, are drawn from previous years of the Economic Survey, where available. The 2017 Economic Survey was conducted by Dr. Moses Altsech, who serves on the faculty of UW-Madison and is President of Moses Altsech Consulting LLC.

# PROFILE OF RESPONDENTS

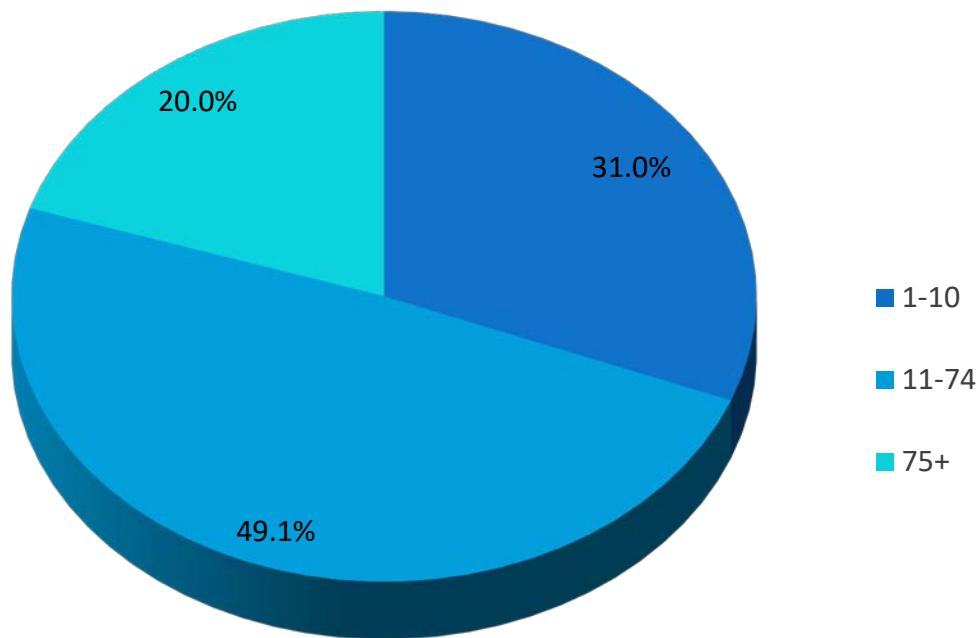
## Target Market



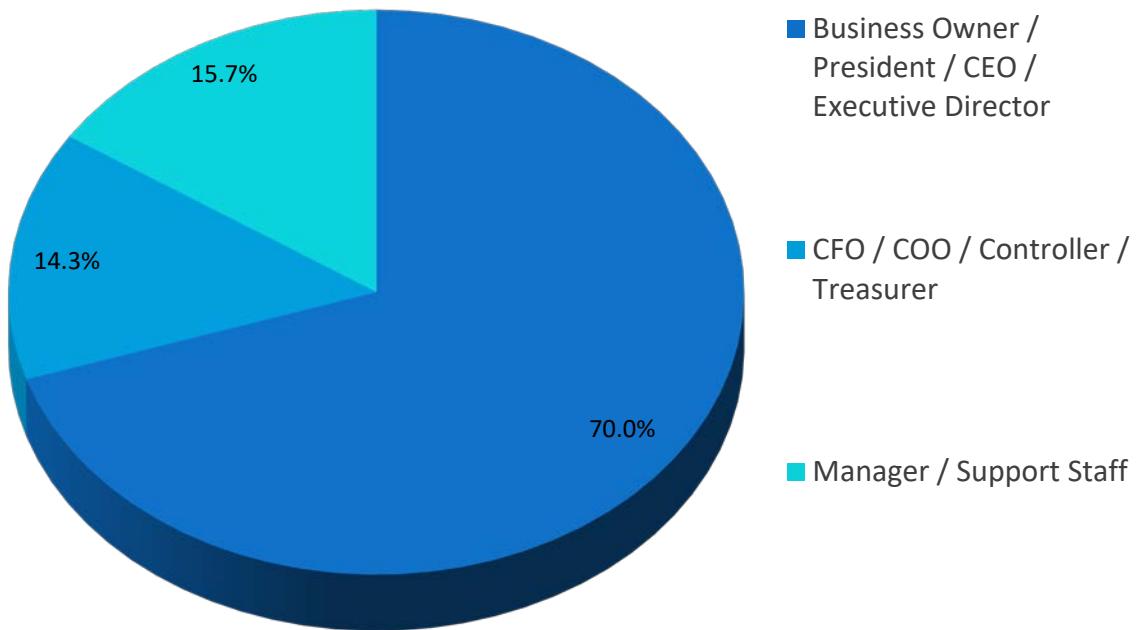
## Business Type



## Number of Employees



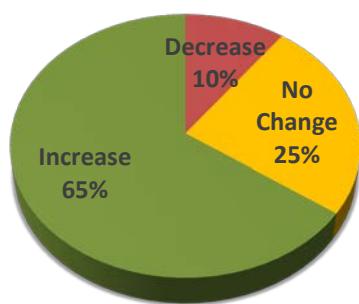
## Job Position



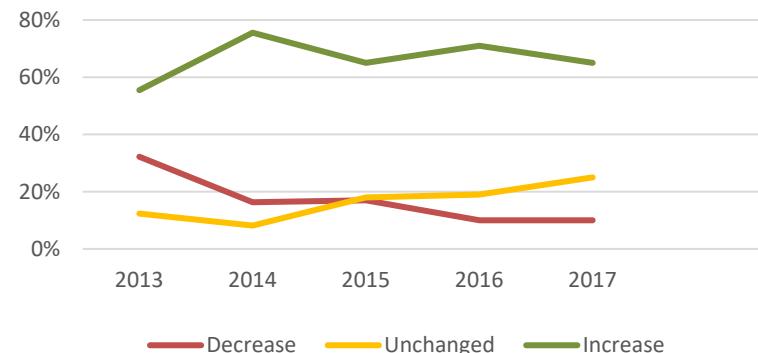
# SURVEY RESULTS - OVERALL

## Sales Revenue - Actual 2017

### Sales Revenue



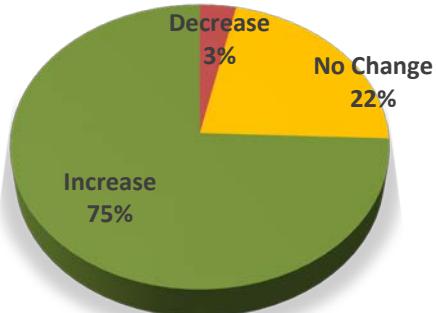
### Sales Revenue - Actual History



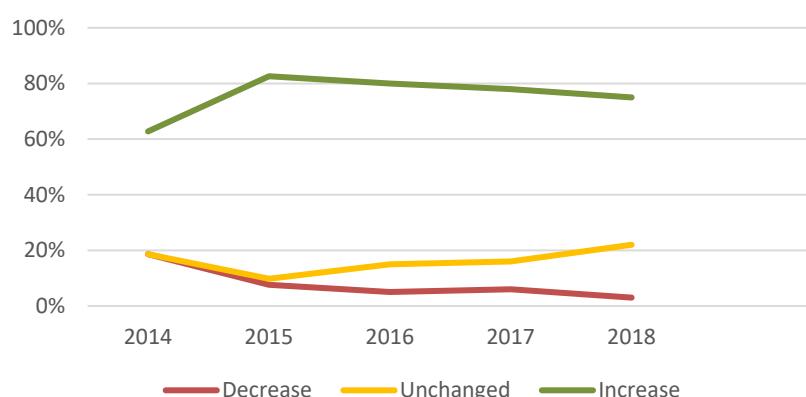
Decrease		No Change		Increase	
10%		25%		65%	
HIST Low 10% 2016	HIST High 62% 2009	HIST Low 8% 2014	HIST High 25% 2017	HIST Low 28% 2009	HIST High 75% 2014

## Sales Revenue - Projected 2018

### Sales Revenue



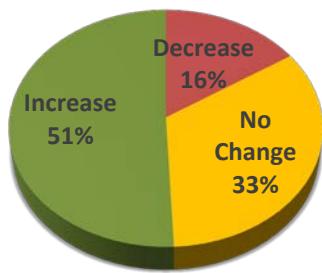
### Sales Revenue - Projected History



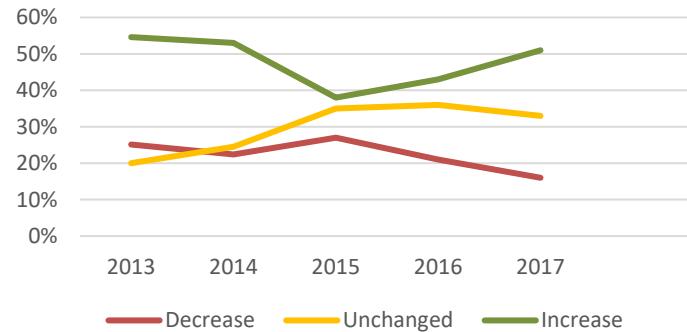
Decrease		No Change		Increase	
3%		22%		75%	
HIST Low 3% 2018	HIST High 29% 2009	HIST Low 10% 2015	HIST High 25% 2013	HIST Low 53% 2012	HIST High 82% 2015

## Total Operating Cost as a % of Revenue - Actual 2017

### Total Operating Costs as a % of Revenue



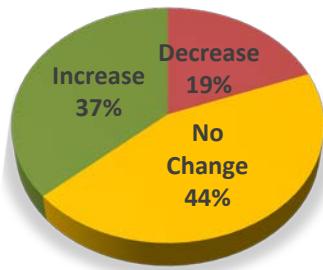
### Total Operating Cost as a % of Revenue - Actual History



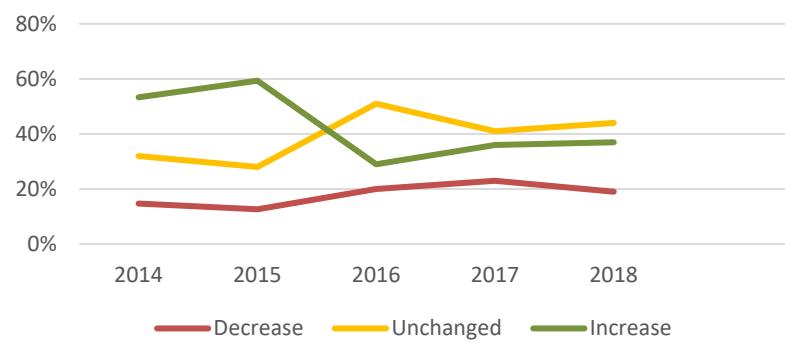
Decrease		No Change		Increase	
16%		33%		51%	
HIST Low	HIST High	HIST Low	HIST High	HIST Low	HIST High
16% 2017	35% 2009	10% 2004	36% 2016	38% 2015	71% 2004

## Total Operating Cost as a % of Revenue - Projected 2018

### Total Operating Costs as a % of Revenue



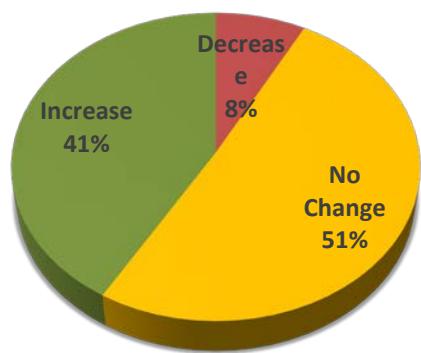
### Total Operating Cost as a % of Revenue - Projected History



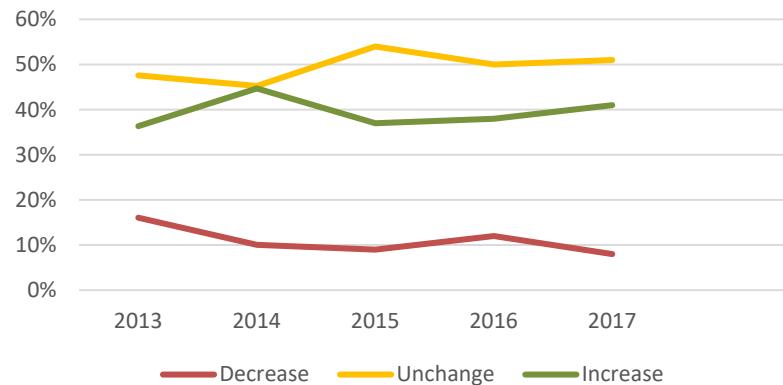
Decrease		No Change		Increase	
19%		44%		37%	
HIST Low	HIST High	HIST Low	HIST High	HIST Low	HIST High
11% 2005	25% 2010	22% 2009	51% 2016	29% 2016	63% 2005

## Capital Expenditures - Actual 2017

### Capital Expenditures



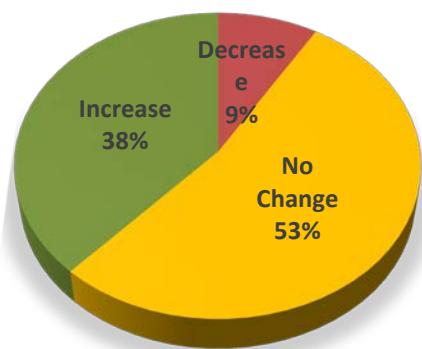
### Capital Expenditures - Actual History



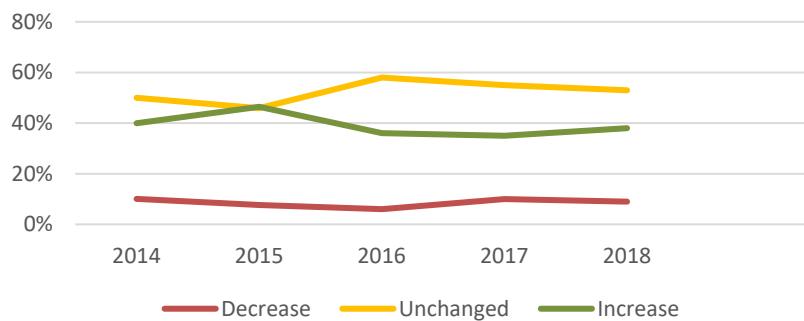
Decrease	No Change	Increase
8%	51%	41%
HIST Low 8% 2017	HIST Low 34% 2004	HIST Low 23% 2009
HIST High 40% 2009	HIST High 53% 2015	HIST High 53% 2004

## Capital Expenditures - Projected 2018

### Capital Expenditures

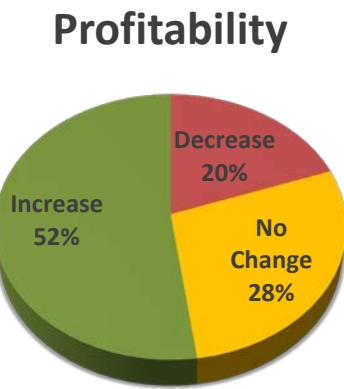


### Capital Expenditures - Projected History

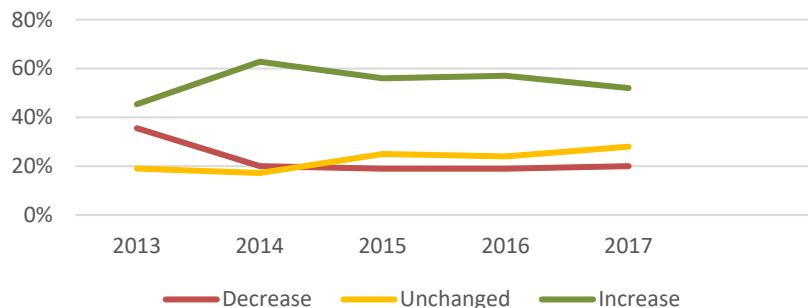


Decrease	No Change	Increase
9%	53%	38%
HIST Low 8% 2016	HIST Low 38% 2015	HIST Low 29% 2009
HIST High 22% 2009	HIST High 59% 2016	HIST High 52% 2005

## Profitability - Actual 2017

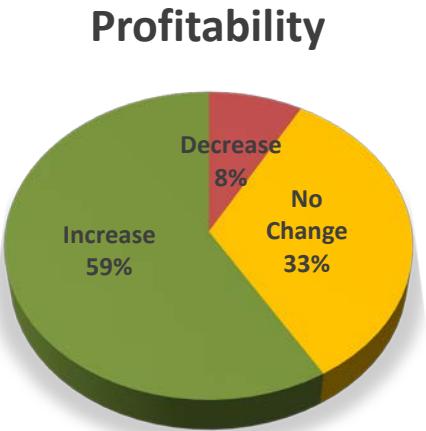


### Profitability - Actual History

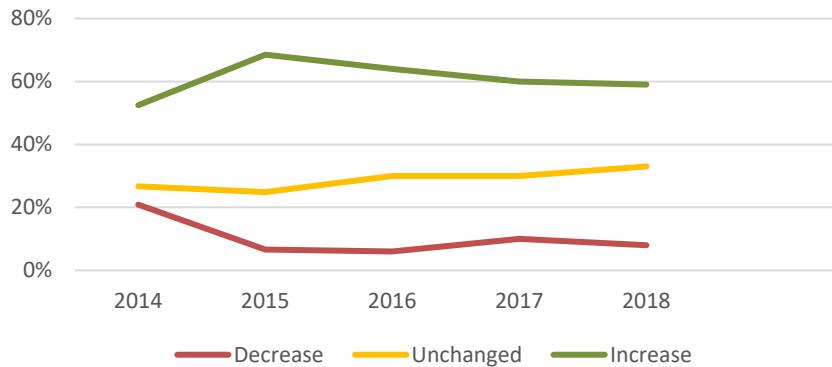


Decrease		No Change		Increase	
20%		28%		52%	
HIST Low	HIST High	HIST Low	HIST High	HIST Low	HIST High
19% 2016	56% 2009	13% 2009	28% 2017	31% 2009	62% 2014

## Profitability - Projected 2018



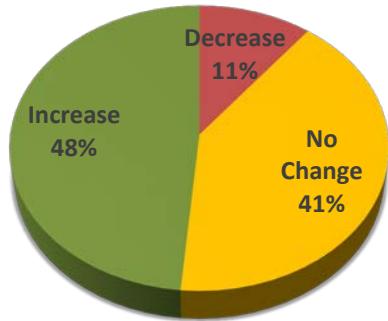
### Profitability - Projected History



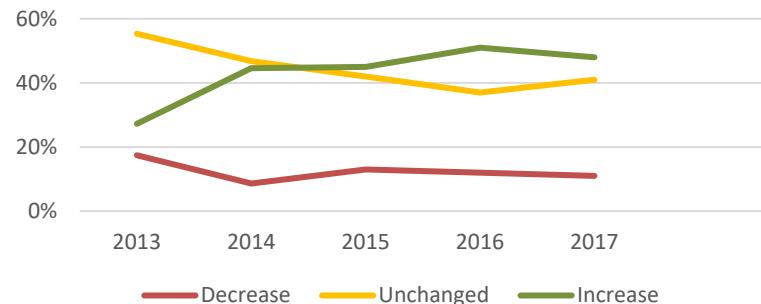
Decrease		No Change		Increase	
8%		33%		59%	
HIST Low	HIST High	HIST Low	HIST High	HIST Low	HIST High
6% 2016	27% 2009	15% 2004	33% 2018	46% 2012	73% 2004

## Number of Employees - Actual 2017

### Number of Employees



### Number Of Employees - Actual History



#### Decrease

11%

HIST Low  
8% 2014

HIST High  
39% 2009

#### No Change

41%

HIST Low  
37% 2016

HIST High  
56% 2012

#### Increase

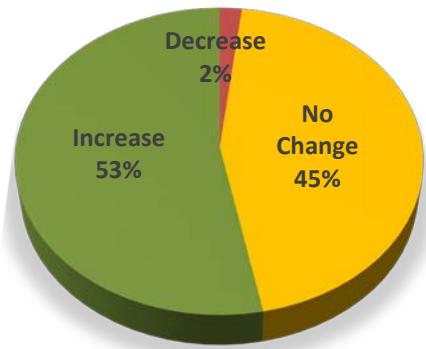
48%

HIST Low  
18% 2009

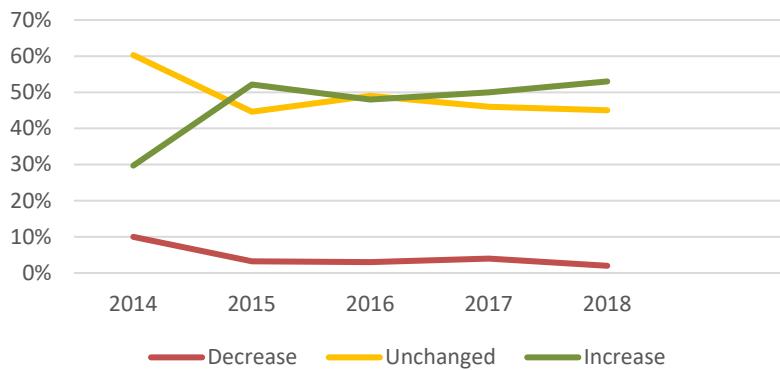
HIST High  
51% 2016

## Number of Employees - Projected 2018

### Number of Employees



### Number Of Employees - Projected History



#### Decrease

2%

HIST Low  
2% 2018

HIST High  
16% 2010

#### No Change

45%

HIST Low  
44% 2015

HIST High  
62% 2011

#### Increase

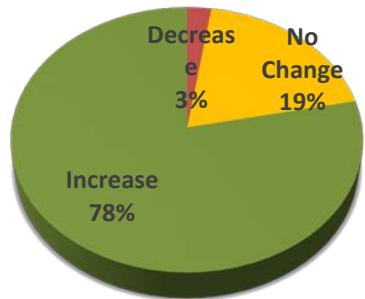
53%

HIST Low  
23% 2012

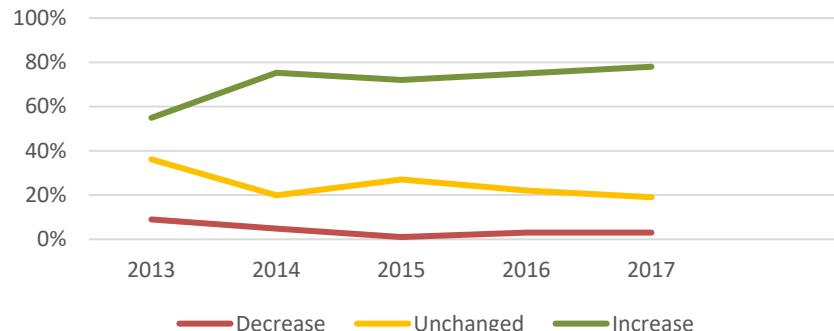
HIST High  
53% 2018

## Change in Wages - Actual 2017

### Change in Wages



### Change In Wages - Actual History



#### Decrease

3%

HIST Low  
1% 2015

#### No Change

19%

HIST Low  
14% 2006

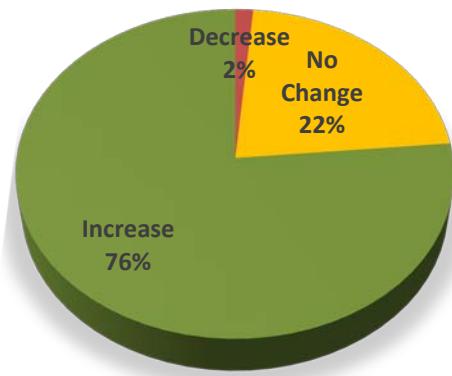
#### Increase

78%

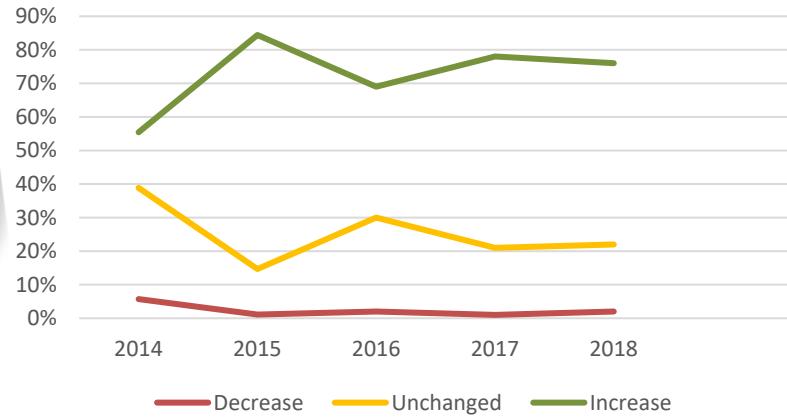
HIST Low  
38% 2010

## Change in Wages - Projected 2018

### Change in Wage



### Change In Wages - Projected History



#### Decrease

2%

HIST Low  
1% 2017

#### No Change

22%

HIST Low  
15% 2015

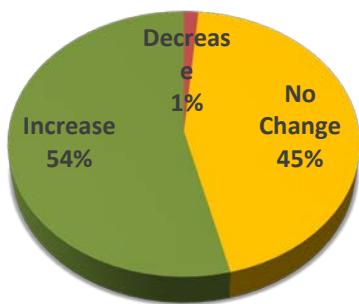
#### Increase

76%

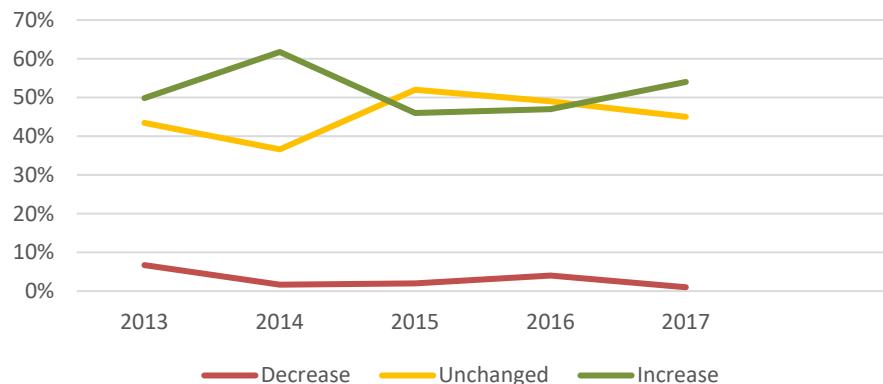
HIST Low  
47% 2012

## Changes in Pricing - Actual 2017

### Change in Pricing



### Change In Pricing - Actual History



#### Decrease

1%  
HIST Low 1% 2017      HIST High 28% 2009

#### No Change

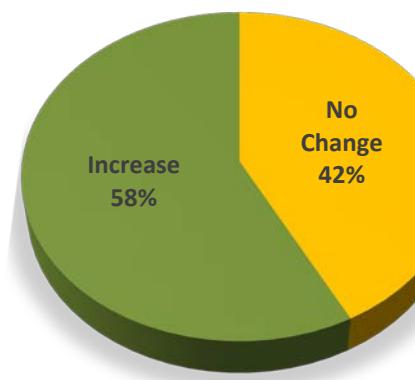
45%  
HIST Low 24% 2007      HIST High 53% 2015

#### Increase

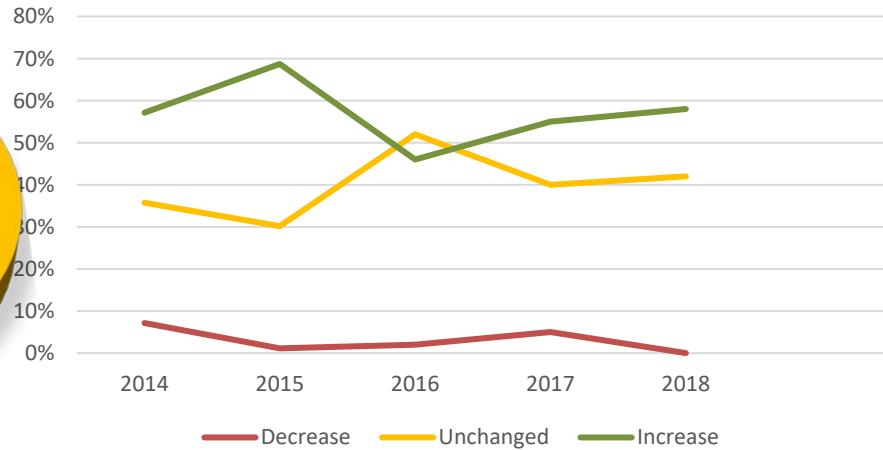
54%  
HIST Low 33% 2009      HIST High 67% 2007

## Changes in Pricing - Projected 2018

### Change in Pricing



### Change In Pricing - Projected History



#### Decrease

0%  
HIST Low 0% 2018      HIST High 10% 2010

#### No Change

42%  
HIST Low 25% 2008      HIST High 52% 2016

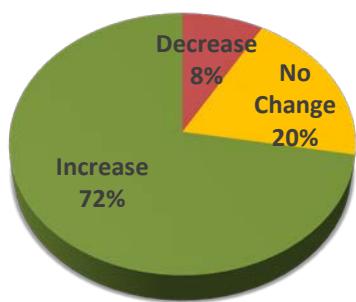
#### Increase

58%  
HIST Low 46% 2016      HIST High 70% 2008

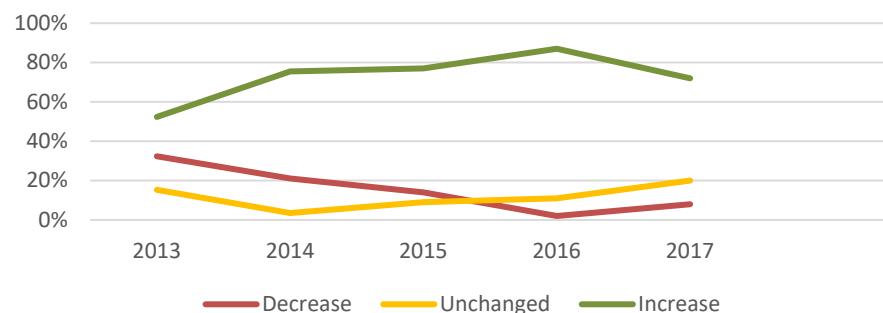
# PROFESSIONAL SERVICES

## Sales Revenue - Actual 2017

### Sales Revenue



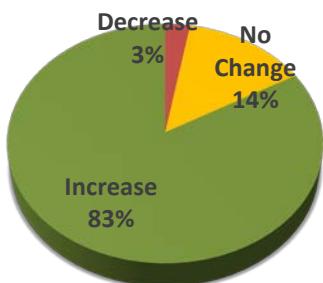
### Sales Revenue - Actual History



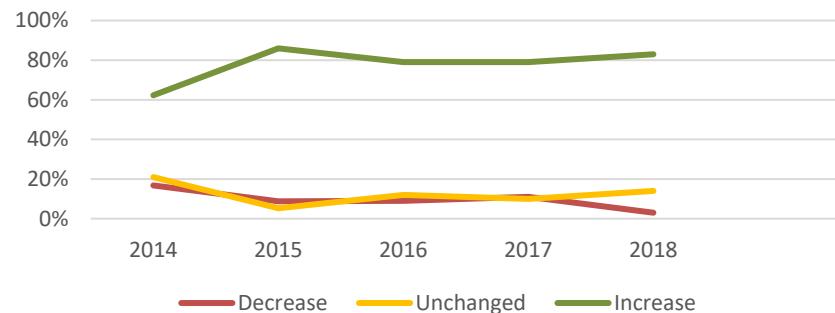
Decrease	No Change	Increase	
8%	20%	72%	
HIST Low 2% 2016	HIST High 58% 2009	HIST Low 33% 2011	HIST High 87% 2016

### Sales Revenue - Projected 2018

### Sales Revenue



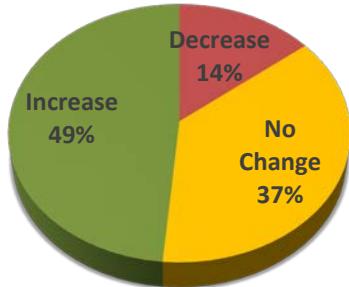
### Sales Revenue - Projected History



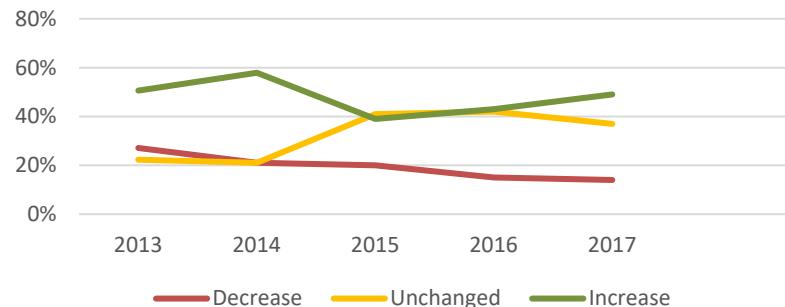
Decrease	No Change	Increase	
3%	14%	83%	
HIST Low 3% 2018	HIST High 29% 2009	HIST Low 48% 2011	HIST High 86% 2015

## Total Operating Cost as a % of Revenue - Actual 2017

### Total Operating Costs as a % of Revenue



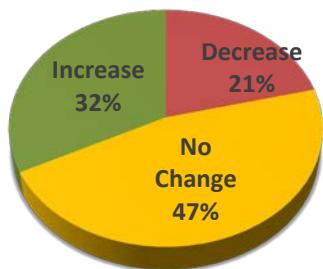
### Total Operating Cost as a % of Revenue - Actual History



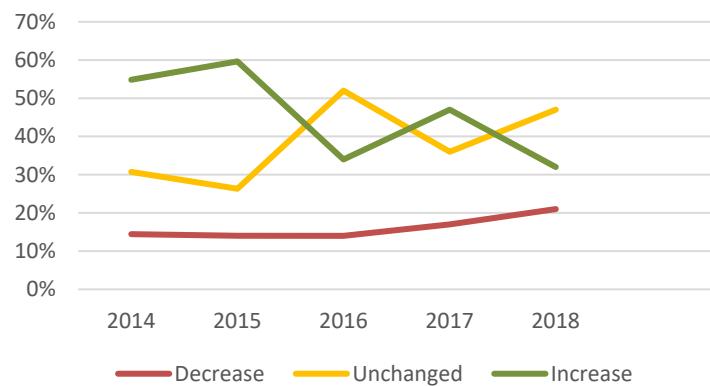
Decrease		No Change		Increase	
14%		37%		49%	
HIST Low	HIST High	HIST Low	HIST High	HIST Low	HIST High
14% 2017	35% 2009	12% 2004	42% 2016	39% 2015	69% 2004

## Total Operating Cost as a % of Revenue - Projected 2018

### Total Operating Costs as a % of Revenue



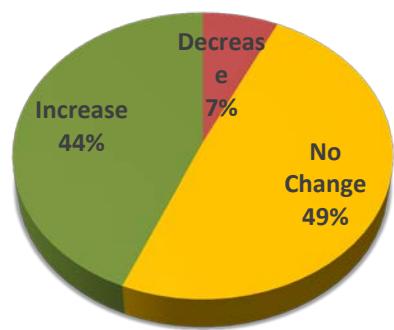
### Total Operating Cost as a % of Revenue - Projected History



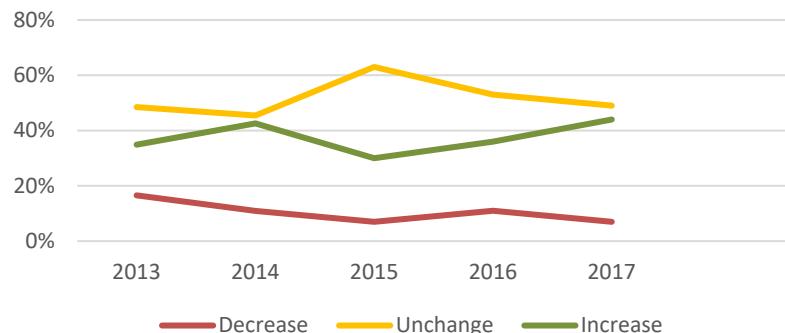
Decrease		No Change		Increase	
21%		47%		32%	
HIST Low	HIST High	HIST Low	HIST High	HIST Low	HIST High
10% 2005	25% 2011	18% 2009	52% 2016	32% 2018	65% 2006

## Capital Expenditures - Actual 2017

### Capital Expenditures



### Capital Expenditures - Actual History



#### Decrease

#### No Change

#### Increase

7%

49%

44%

HIST Low  
7% 2015

HIST High  
41% 2009

HIST Low  
29% 2004

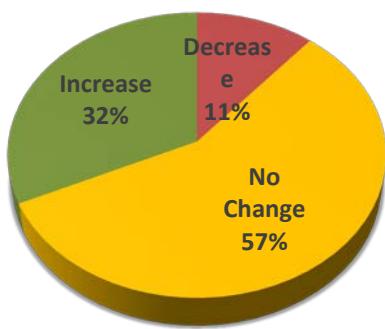
HIST High  
63% 2015

HIST Low  
22% 2009

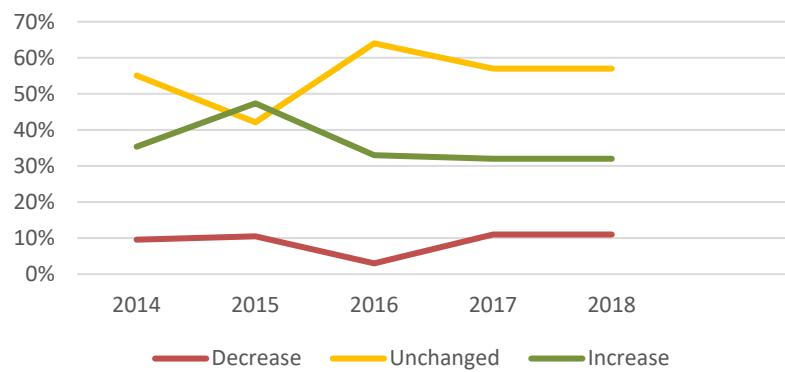
HIST High  
53% 2004

## Capital Expenditures - Projected 2018

### Capital Expenditures



### Capital Expenditures - Projected History



#### Decrease

#### No Change

#### Increase

11%

57%

32%

HIST Low  
6% 2016

HIST High  
24% 2010

HIST Low  
38% 2006

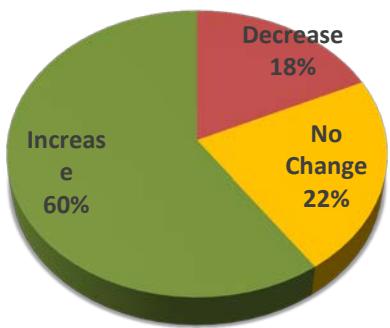
HIST High  
64% 2016

HIST Low  
26% 2012

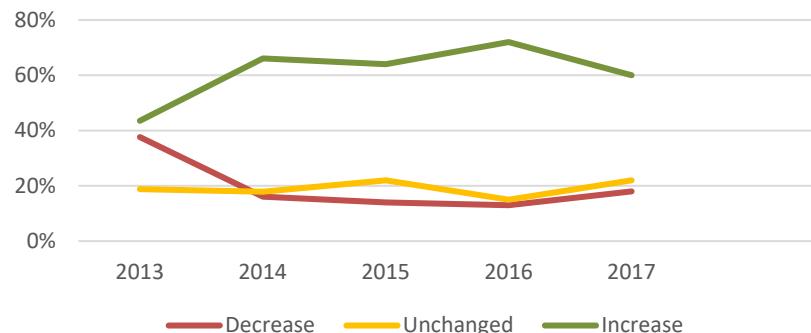
HIST High  
55% 2004

## Profitability - Actual 2017

### Profitability



### Profitability - Actual History



#### Decrease

18%

HIST Low  
13% 2016

HIST High  
55% 2009

#### No Change

22%

HIST Low  
8% 2004

HIST High  
22% 2015

#### Increase

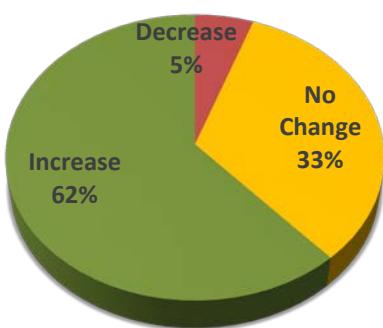
60%

HIST Low  
33% 2009

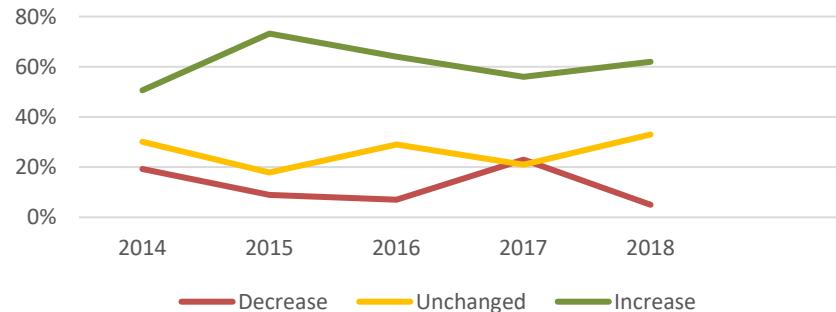
HIST High  
72% 2016

## Profitability - Projected 2018

### Profitability



### Profitability - Projected History



#### Decrease

5%

HIST Low  
5% 2018

HIST High  
29% 2009

#### No Change

33%

HIST Low  
14% 2004

HIST High  
52% 2012

#### Increase

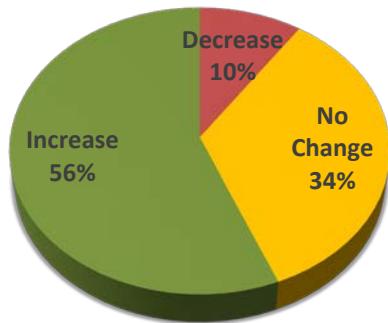
62%

HIST Low  
26% 2012

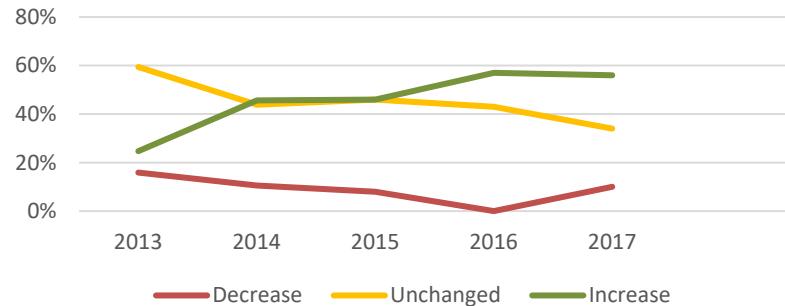
HIST High  
73% 2004

## Number of Employees - Actual 2017

### Number of Employees



### Number Of Employees - Actual History



#### Decrease

10%

HIST Low  
0% 2016

HIST High  
37% 2009

#### No Change

34%

HIST Low  
34% 2017

HIST High  
59% 2013

#### Increase

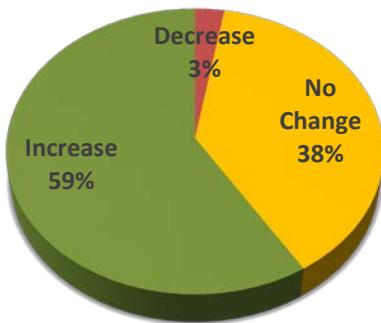
56%

HIST Low  
17% 2009

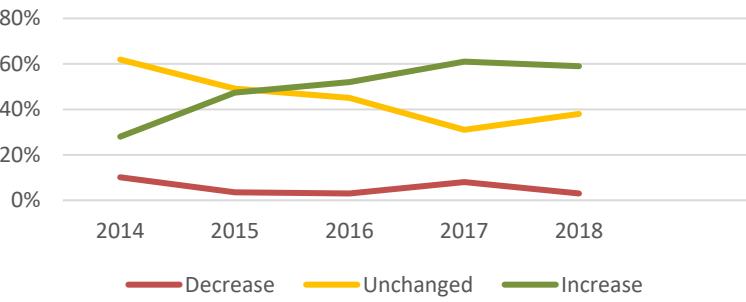
HIST High  
57% 2016

## Number of Employees - Projected 2018

### Number of Employees



### Number Of Employees - Projected History



#### Decrease

3%

HIST Low  
3% 2015

HIST High  
16% 2009

#### No Change

38%

HIST Low  
31% 2017

HIST High  
64% 2012

#### Increase

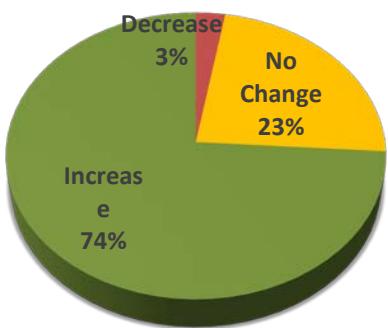
59%

HIST Low  
20% 2012

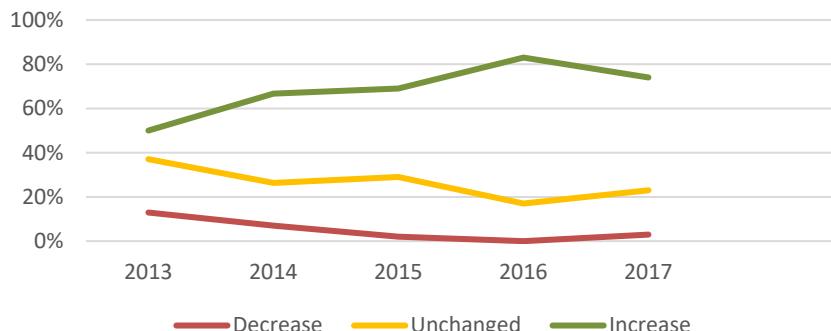
HIST High  
61% 2017

## Change in Wages - Actual 2017

### Change in Wages



### Change In Wages - Actual History



#### Decrease

3%	HIST Low 0% 2016	HIST High 25% 2009
----	------------------	--------------------

#### No Change

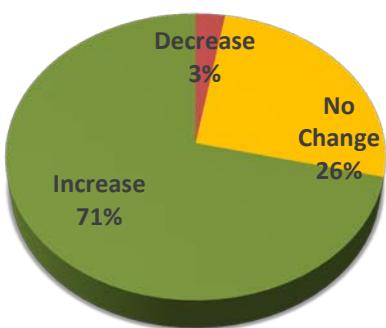
23%	HIST Low 14% 2005	HIST High 48% 2011
-----	-------------------	--------------------

#### Increase

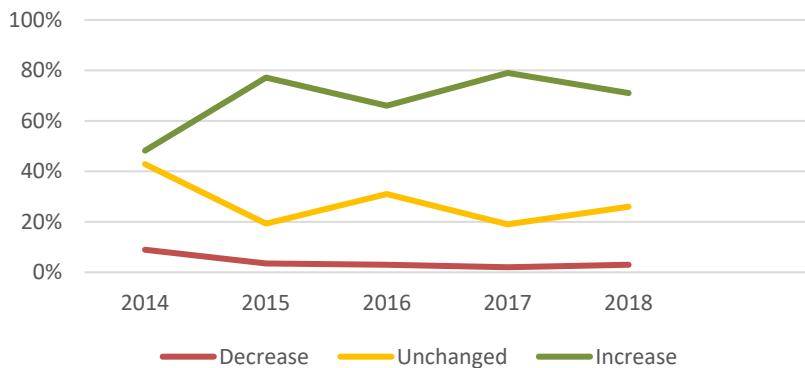
74%	HIST Low 37% 2010	HIST High 83% 2016
-----	-------------------	--------------------

## Change in Wages - Projected 2018

### Change in Wages



### Change In Wages - Projected History



#### Decrease

3%	HIST Low 2% 2017	HIST High 13% 2010
----	------------------	--------------------

#### No Change

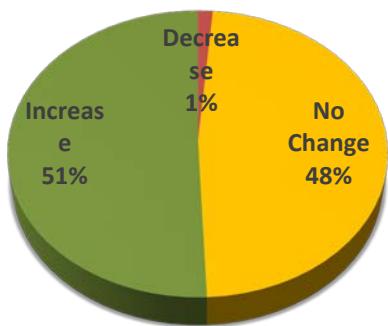
26%	HIST Low 13% 2004	HIST High 52% 2012
-----	-------------------	--------------------

#### Increase

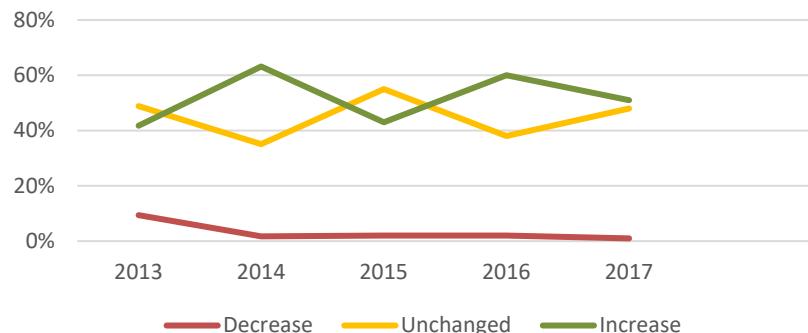
71%	HIST Low 38% 2012	HIST High 82% 2004
-----	-------------------	--------------------

## Changes in Pricing - Actual 2017

### Change in Pricing



### Change In Pricing - Actual History



#### Decrease

Category	Low	High
Decrease	1% 2014	31% 2009

#### No Change

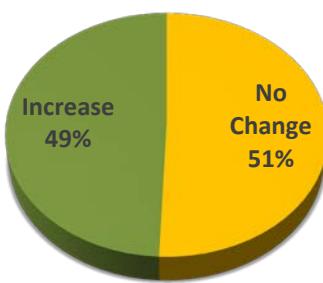
Category	Low	High
No Change	31% 2008	55% 2015

#### Increase

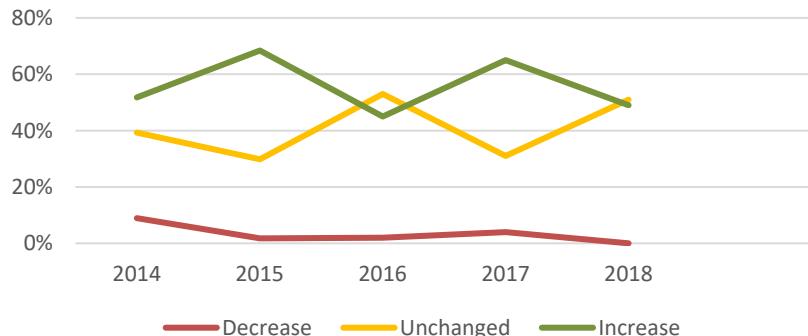
Category	Low	High
Increase	32% 2009	63% 2014

## Changes in Pricing - Projected 2018

### Change in Pricing



### Change In Pricing - Projected History



#### Decrease

Category	Low	High
Decrease	0% 2018	12% 2010

#### No Change

Category	Low	High
No Change	29% 2015	53% 2016

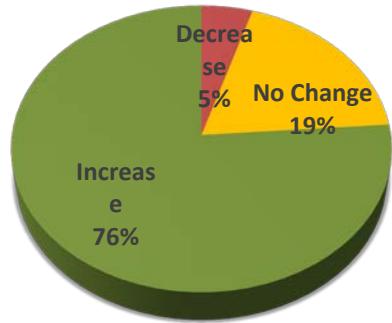
#### Increase

Category	Low	High
Increase	43% 2012	68% 2015

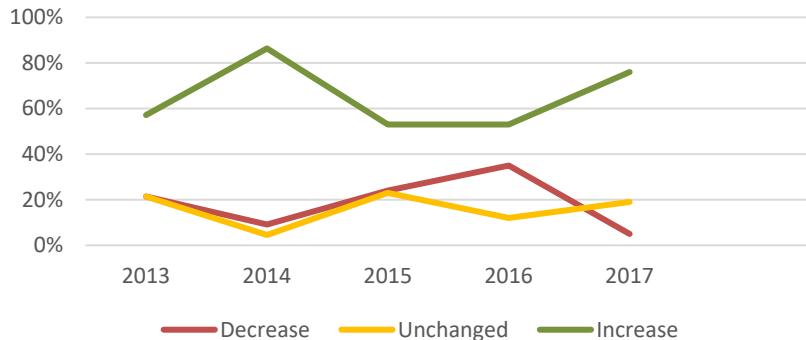
# MANUFACTURING

## Sales Revenue - Actual 2017

### Sales Revenue



### Sales Revenue - Actual History



#### Decrease

5%

HIST Low  
5% 2017

HIST High  
86% 2009

#### No Change

19%

HIST Low  
5% 2014

HIST High  
23% 2015

#### Increase

76%

HIST Low  
8% 2009

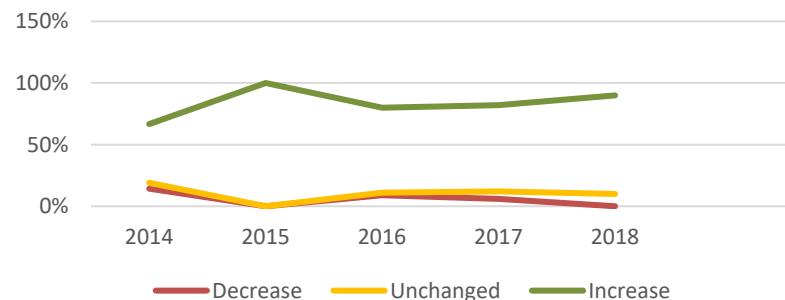
HIST High  
86% 2014

### Sales Revenue - Projected 2018

### Sales Revenue



### Sales Revenue - Projected History



#### Decrease

0%

HIST Low  
0% 2015

HIST High  
32% 2009

#### No Change

10%

HIST Low  
0% 2015

HIST High  
23% 2013

#### Increase

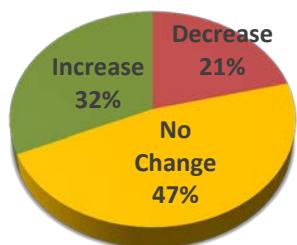
90%

HIST Low  
50% 2009

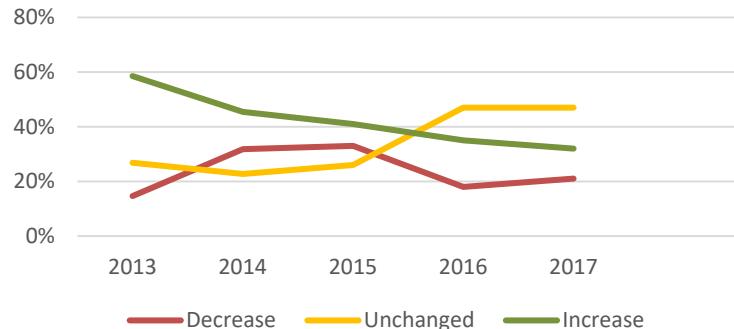
HIST High  
100% 2015

## Total Operating Cost as a % of Revenue - Actual 2017

### Total Operating Costs as a % of Revenue



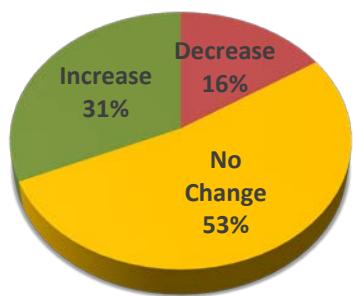
### Total Operating Cost as a % of Revenue - Actual History



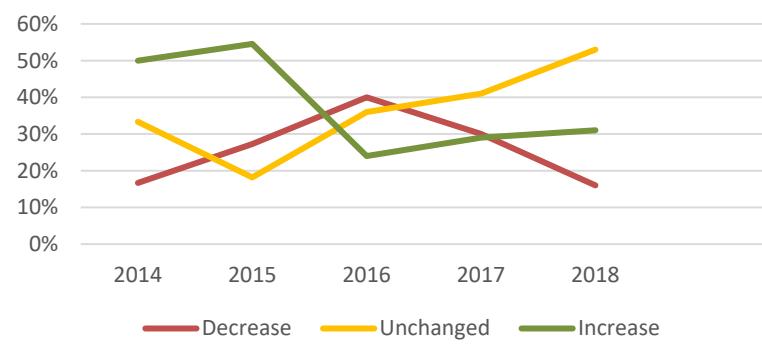
Decrease		No Change		Increase	
21%		47%		32%	
HIST Low	HIST High	HIST Low	HIST High	HIST Low	HIST High
15% 2013	37% 2009	8% 2008	47% 2016	32% 2017	70% 2008

## Total Operating Cost as a % of Revenue - Projected 2018

### Total Operating Costs as a % of Revenue



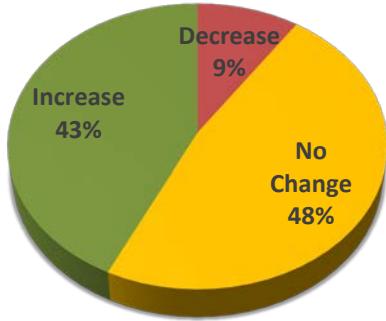
### Total Operating Cost as a % of Revenue - Projected History



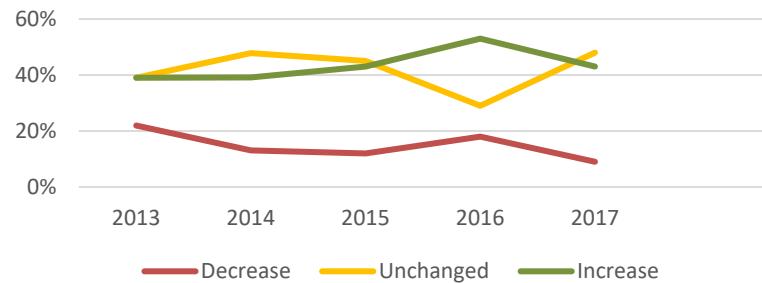
Decrease		No Change		Increase	
16%		53%		31%	
HIST Low	HIST High	HIST Low	HIST High	HIST Low	HIST High
8% 2013	40% 2016	18% 2015	53% 2018	24% 2016	63% 2006

## Capital Expenditures - Actual 2017

### Capital Expenditures



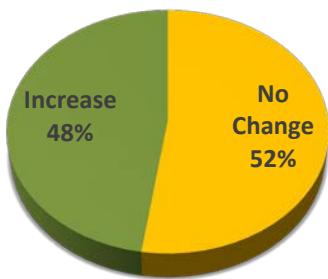
### Capital Expenditures - Actual History



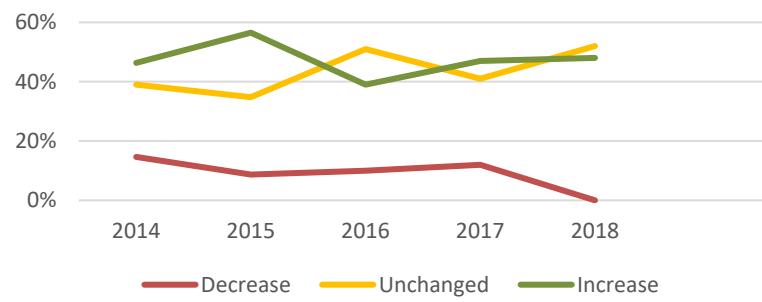
Decrease	No Change	Increase			
9%	48%	43%			
HIST Low 9% 2017	HIST High 56% 2009	HIST Low 17% 2012	HIST High 53% 2016		

## Capital Expenditures - Projected 2018

### Capital Expenditures



### Capital Expenditures - Projected History

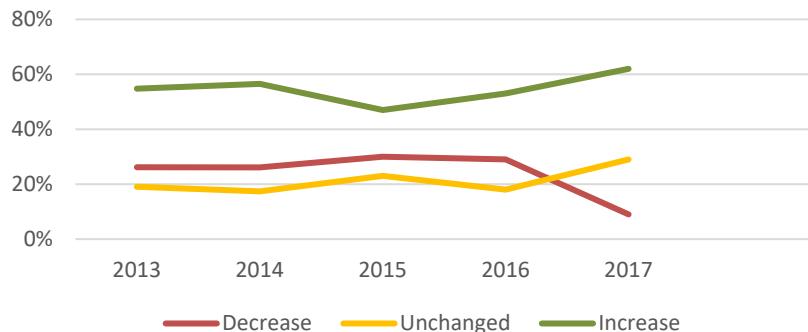


Decrease	No Change	Increase			
0%	52%	48%			
HIST Low 0% 2018	HIST High 21% 2007	HIST Low 34% 2012	HIST High 56% 2015		

## Profitability - Actual 2017



### Profitability - Actual History

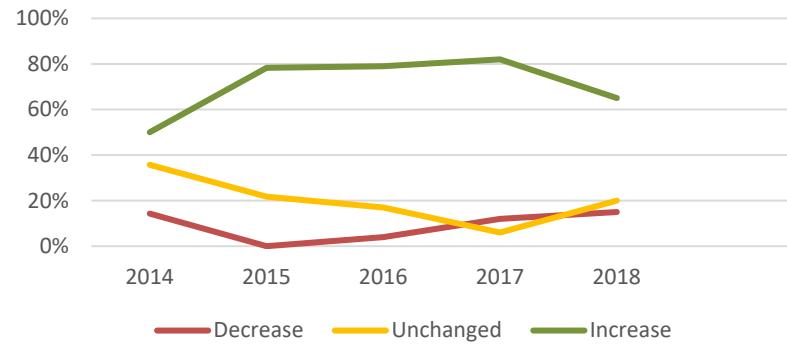


Decrease		No Change		Increase	
9%		29%		62%	
HIST Low 9% 2017	HIST High 42% 2011	HIST Low 2% 2009	HIST High 29% 2017	HIST Low 22% 2009	HIST High 62% 2017

## Profitability - Projected 2018



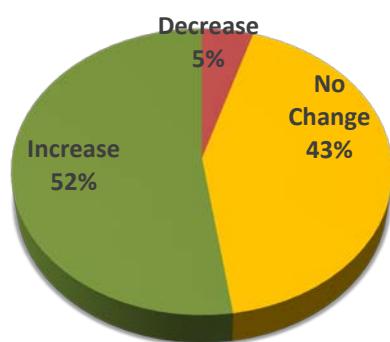
### Profitability - Projected History



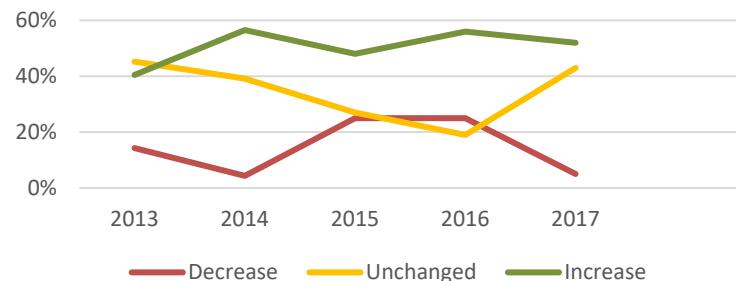
Decrease		No Change		Increase	
15%		20%		65%	
HIST Low 0% 2015	HIST High 28% 2012	HIST Low 6% 2017	HIST High 47% 2012	HIST Low 34% 2012	HIST High 82% 2017

## Number of Employees - Actual 2017

### Number of Employees



### Number Of Employees - Actual History



#### Decrease

5%

HIST Low  
4% 2014

HIST High  
60% 2009

#### No Change

43%

HIST Low  
19% 2016

HIST High  
47% 2011

#### Increase

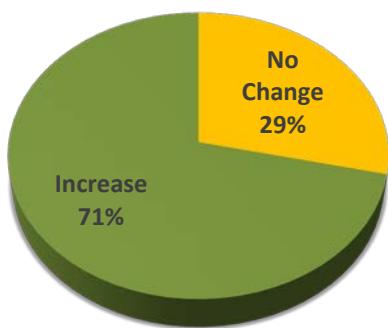
52%

HIST Low  
13% 2009

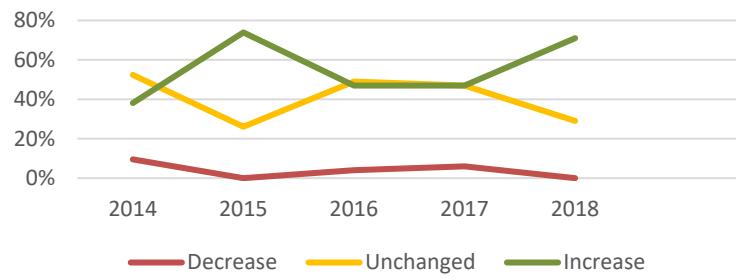
HIST High  
56% 2014

## Number of Employees - Projected 2018

### Number of Employees



### Number Of Employees - Projected History



#### Decrease

0%

HIST Low  
0% 2015

HIST High  
20% 2010

#### No Change

29%

HIST Low  
26% 2015

HIST High  
65% 2008

#### Increase

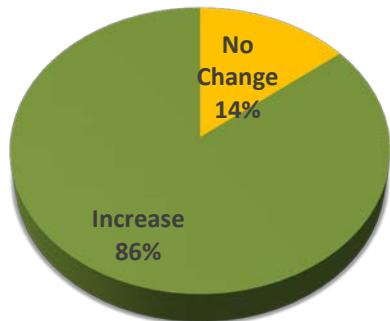
71%

HIST Low  
28% 2012

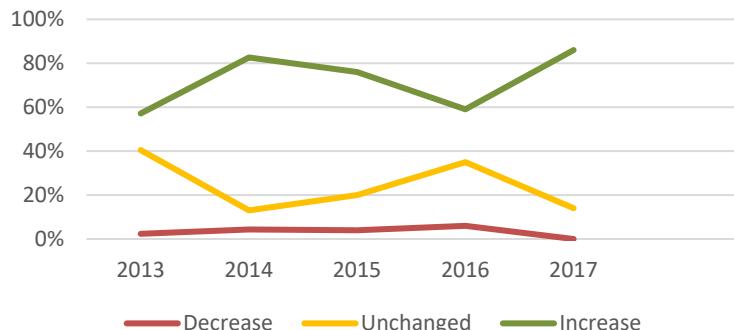
HIST High  
73% 2015

## Change in Wages - Actual 2017

### Change in Wages



### Change In Wages - Actual History



#### Decrease

HIST Low	HIST High
0% 2017	29% 2009

#### No Change

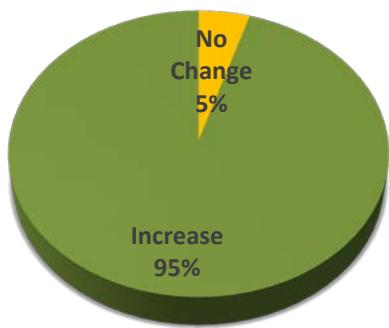
HIST Low	HIST High
10% 2006	43% 2009

#### Increase

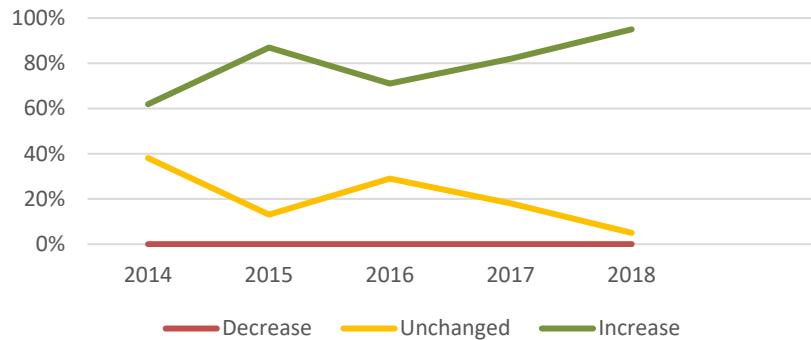
HIST Low	HIST High
28% 2009	86% 2017

## Change in Wages - Projected 2018

### Change in Wages



### Change In Wages - Projected History



#### Decrease

HIST Low	HIST High
0% 2014	11% 2012

#### No Change

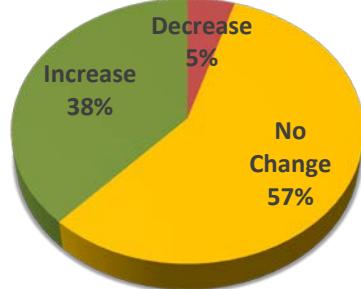
HIST Low	HIST High
5% 2018	41% 2010

#### Increase

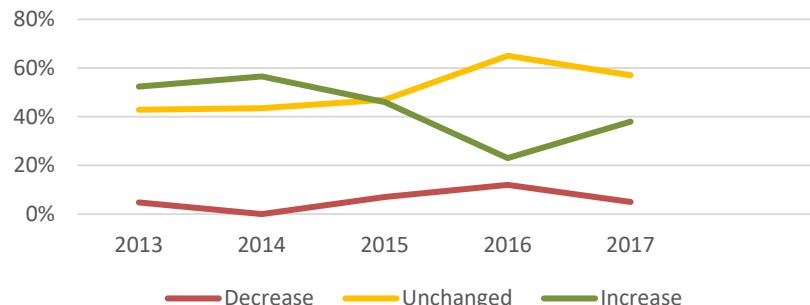
HIST Low	HIST High
50% 2010	95% 2018

## Changes in Pricing - Actual 2017

### Change in Pricing



### Change In Pricing - Actual History



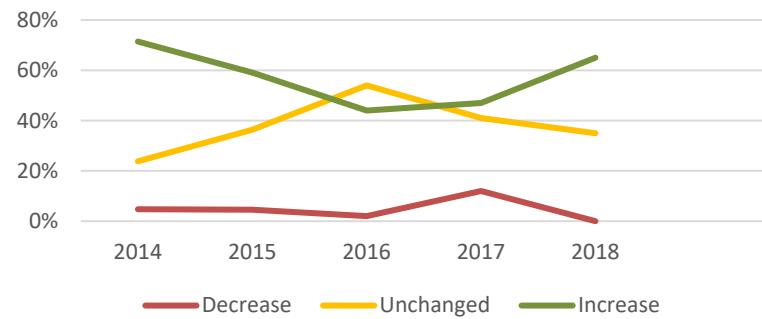
Decrease		No Change		Increase	
5%		57%		38%	
HIST Low 0% 2014	HIST High 34% 2009	HIST Low 21% 2011	HIST High 65% 2016	HIST Low 23% 2009	HIST High 68% 2011

## Changes in Pricing - Projected 2018

### Change in Pricing



### Change In Pricing - Projected History

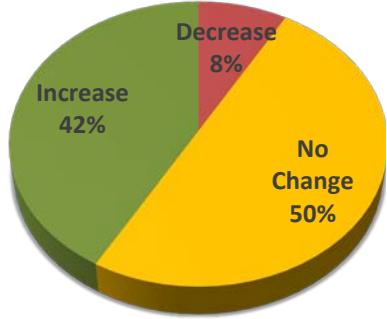


Decrease		No Change		Increase	
0%		35%		65%	
HIST Low 0% 2013	HIST High 17% 2010	HIST Low 12% 2009	HIST High 54% 2016	HIST Low 44% 2016	HIST High 77% 2009

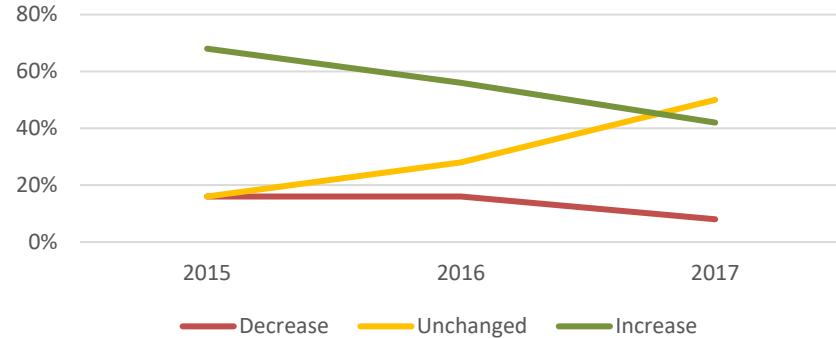
# NON-PROFIT

## Sales Revenue - Actual 2017

### Sales Revenue



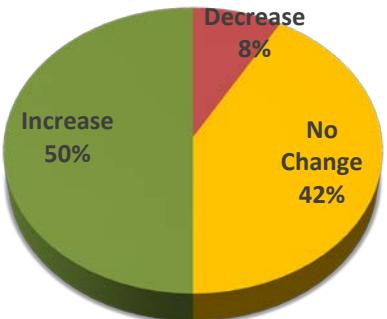
### Sales Revenue - Actual 2015



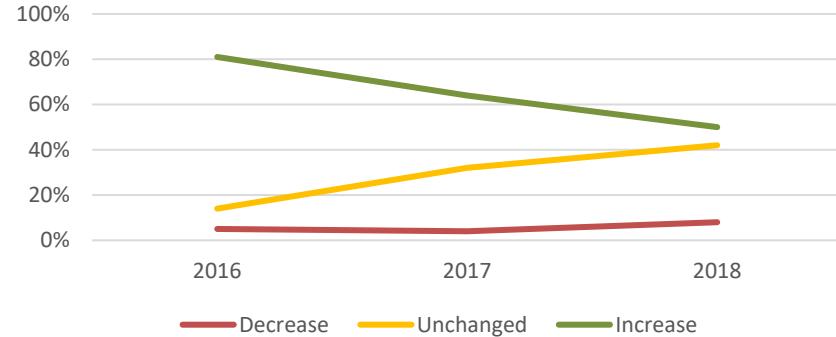
Decrease	No Change	Increase
8%	50%	42%
HIST Low 8% 2017	HIST High 15% 2015	HIST Low 42% 2017

### Sales Revenue - Projected 2018

### Sales Revenue



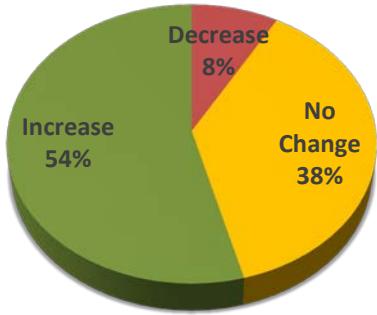
### Sales Revenue - Projected 2016



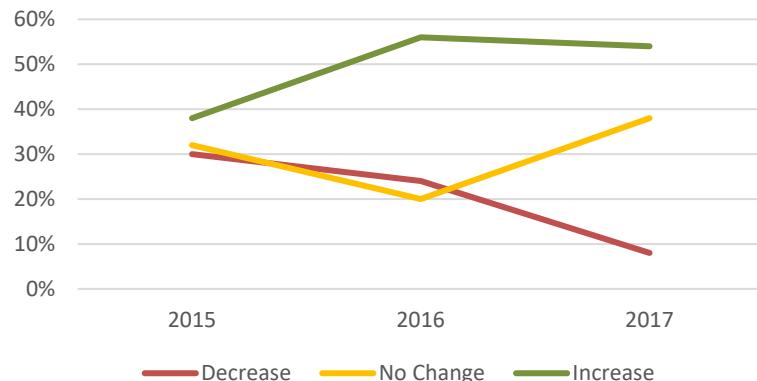
Decrease	No Change	Increase
8%	42%	50%
HIST Low 4% 2017	HIST High 8% 2018	HIST Low 64% 2017

## Total Operating Costs as a % of Revenue - Actual 2017

### Total Operating Costs as a % of Revenue



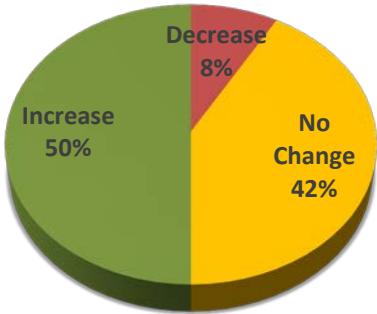
### Total Operating Cost as a % of Revenue - Actual History



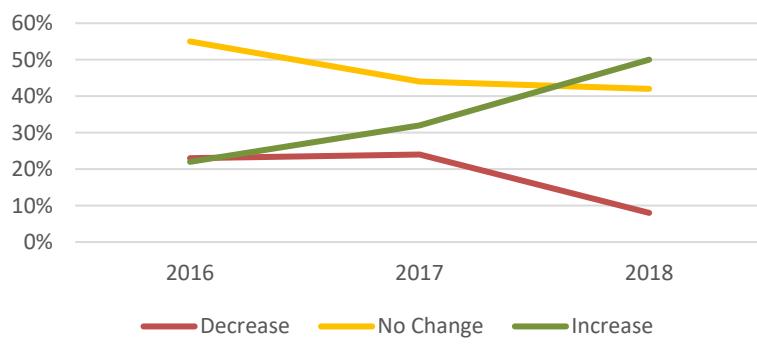
Decrease		No Change		Increase	
8%		38%		54%	
HIST Low 8% 2017	HIST High 30% 2015	HIST Low 20% 2016	HIST High 38% 2017	HIST Low 38% 2015	HIST High 56% 2016

## Total Operating Costs as a % of Revenue - Projected 2018

### Total Operating Costs as a % of Revenue



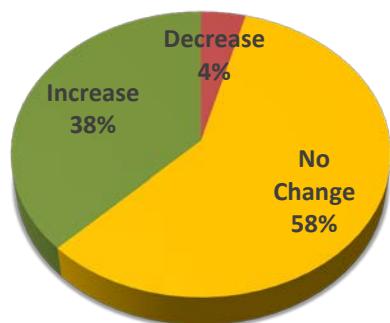
### Total Operating Cost as a % of Revenue - Projected History



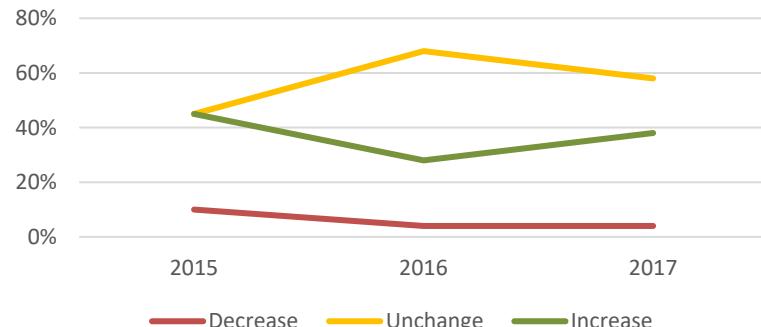
Decrease		No Change		Increase	
8%		42%		50%	
HIST Low 8% 2018	HIST High 24% 2017	HIST Low 42% 2018	HIST High 55% 2016	HIST Low 22% 2016	HIST High 50% 2018

## Capital Expenditures - Actual 2017

### Capital Expenditures



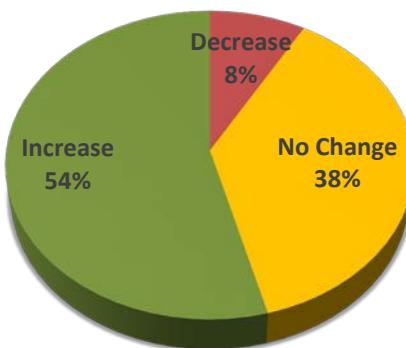
### Capital Expenditures - Actual History



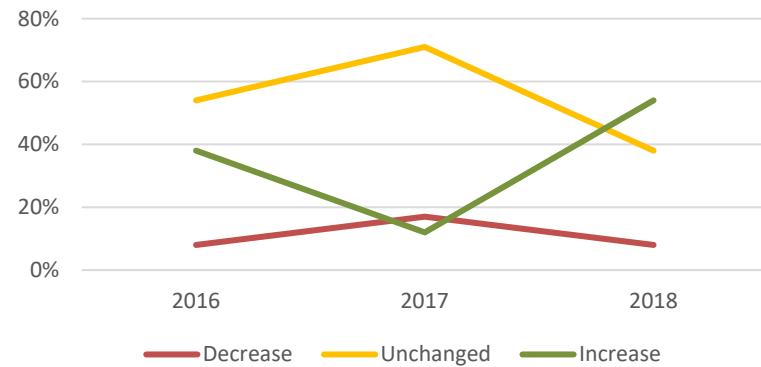
Decrease	No Change	Increase
4%	58%	38%
HIST Low 4% 2016	HIST High 10% 2015	HIST Low 28% 2016
		HIST High 45% 2015

## Capital Expenditures - Projected 2018

### Capital Expenditures

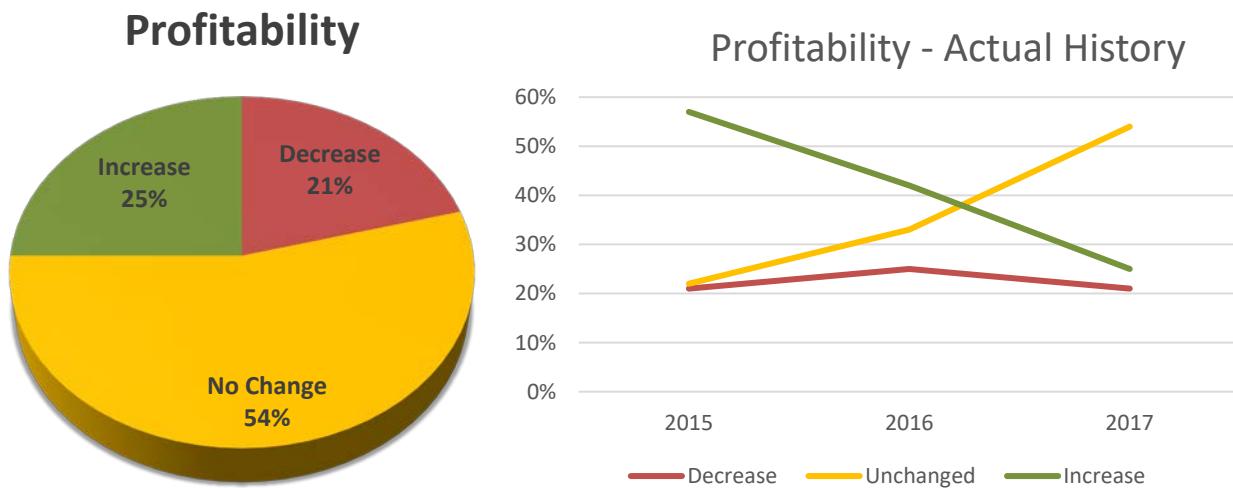


### Capital Expenditures - Projected History



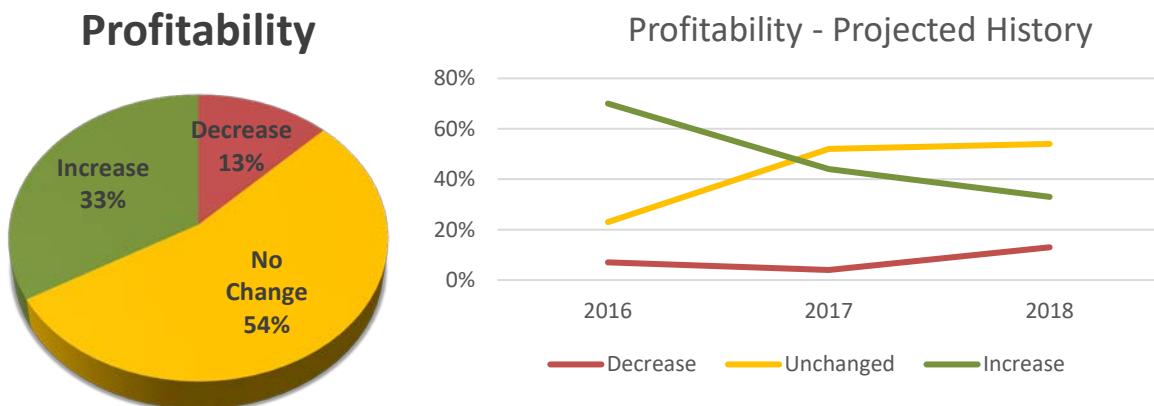
Decrease	No Change	Increase
8%	38%	54%
HIST Low 8% 2016	HIST High 17% 2017	HIST Low 12% 2017
		HIST High 54% 2018

## Profitability - Actual 2017



Decrease	No Change	Increase
21%	54%	25%
HIST Low 21% 2015	HIST High 25% 2016	HIST Low 57% 2015

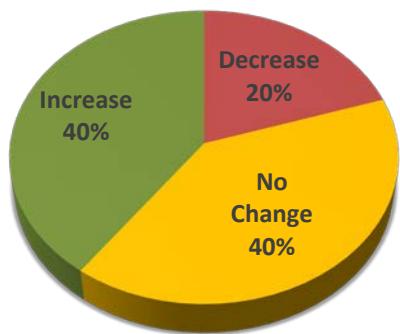
## Profitability - Projected 2018



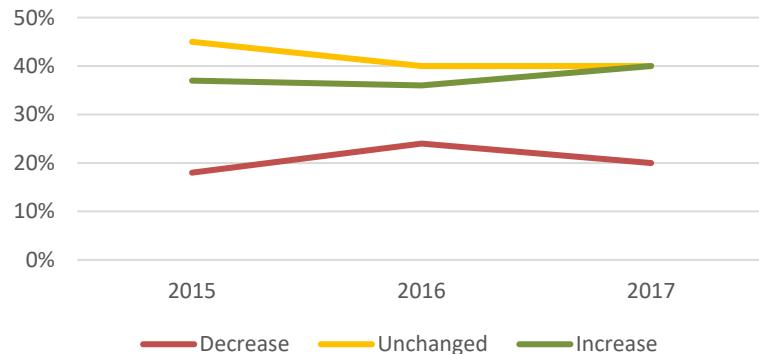
Decrease	No Change	Increase
13%	54%	33%
HIST Low 4% 2017	HIST High 13% 2018	HIST Low 70% 2016

## Number of Employees - Actual 2017

### Number of Employees



### Number Of Employees - Actual History

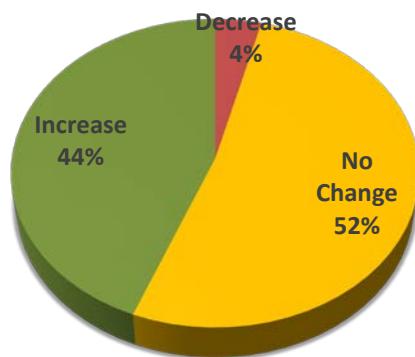


Decrease		No Change		Increase	
20%		40%		40%	
HIST Low	HIST High	HIST Low	HIST High	HIST Low	HIST High

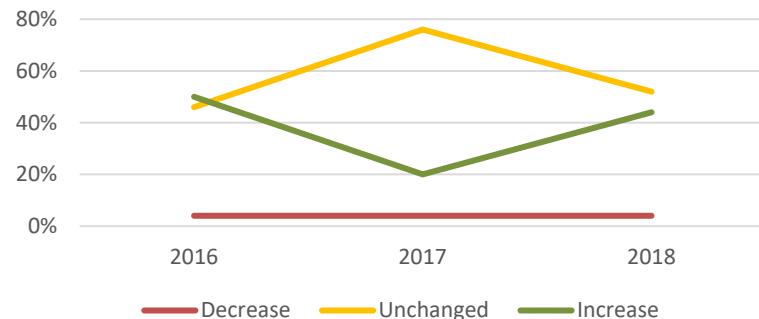
18% 2015      24% 2016      40% 2016      45% 2015      36% 2016      40% 2017

## Number of Employees - Projected 2018

### Number of Employees



### Number Of Employees - Projected History

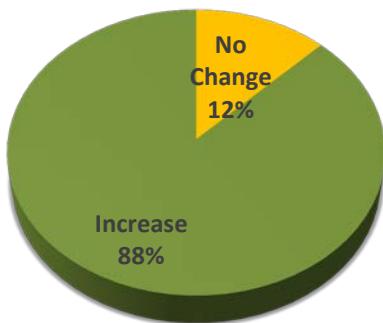


Decrease		No Change		Increase	
4%		52%		44%	
HIST Low	HIST High	HIST Low	HIST High	HIST Low	HIST High

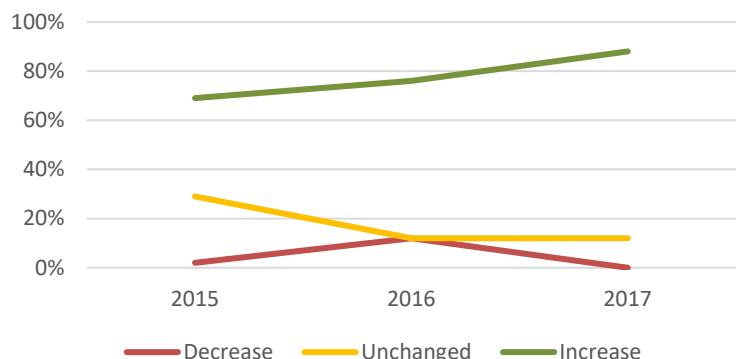
4% 2016      4% 2017      46% 2016      76% 2017      20% 2017      50% 2016

## Change in Wages - Actual 2017

### Change in Wages



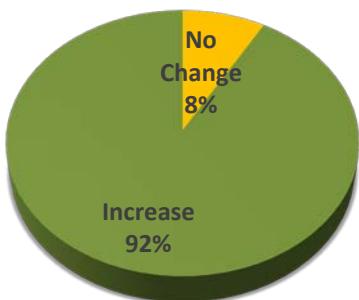
### Change In Wages - Actual History



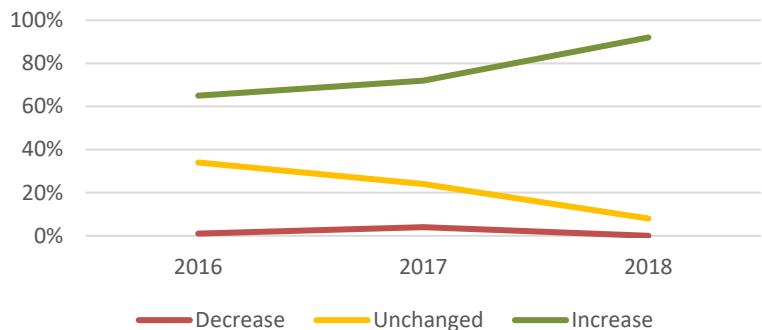
Decrease		No Change		Increase	
0%		12%	29%	88%	
HIST Low 0% 2017	HIST High 12% 2016	HIST Low 12% 2016	HIST High 29% 2015	HIST Low 69% 2015	HIST High 88% 2017

## Change in Wages - Projected 2018

### Change in Wages



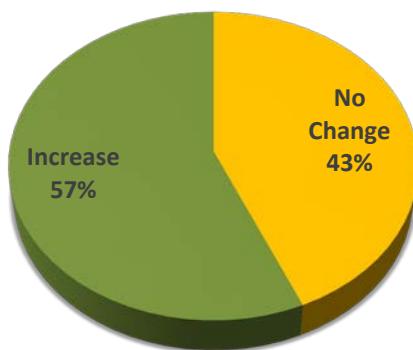
### Change In Wages - Projected History



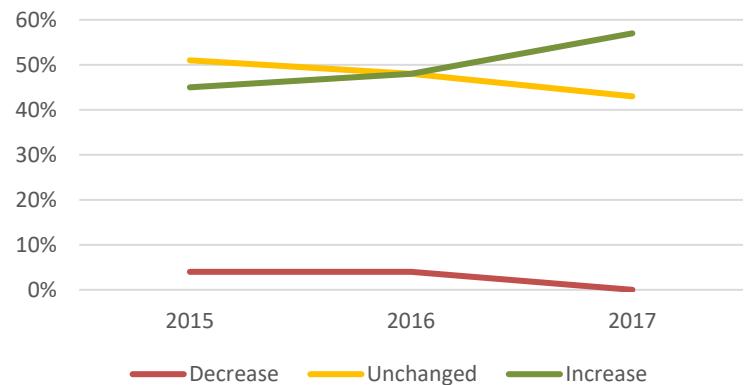
Decrease		No Change		Increase	
0%		8%	34%	92%	
HIST Low 0% 2018	HIST High 4% 2017	HIST Low 8% 2017	HIST High 34% 2016	HIST Low 65% 2016	HIST High 92% 2018

## Change in Pricing - Actual 2017

### Change in Pricing



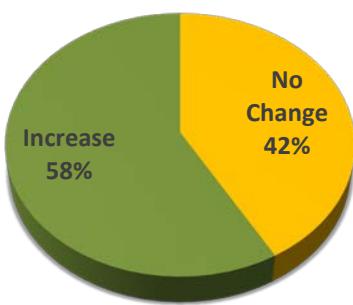
### Change In Pricing - Actual History



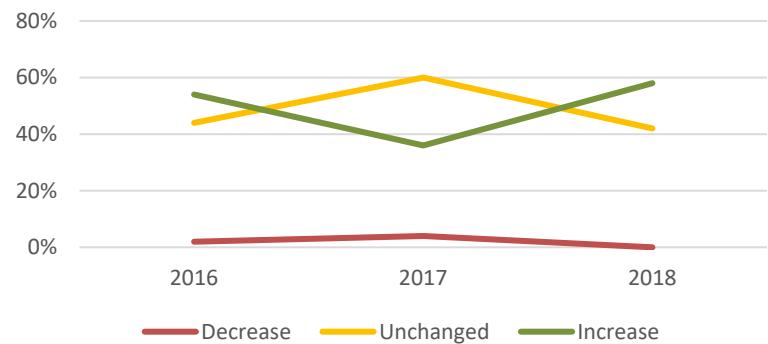
Decrease		No Change		Increase	
HIST Low	0% 2017	HIST High	4% 2015	HIST Low	43% 2016
				HIST High	51% 2015

## Change in Pricing - Projected 2018

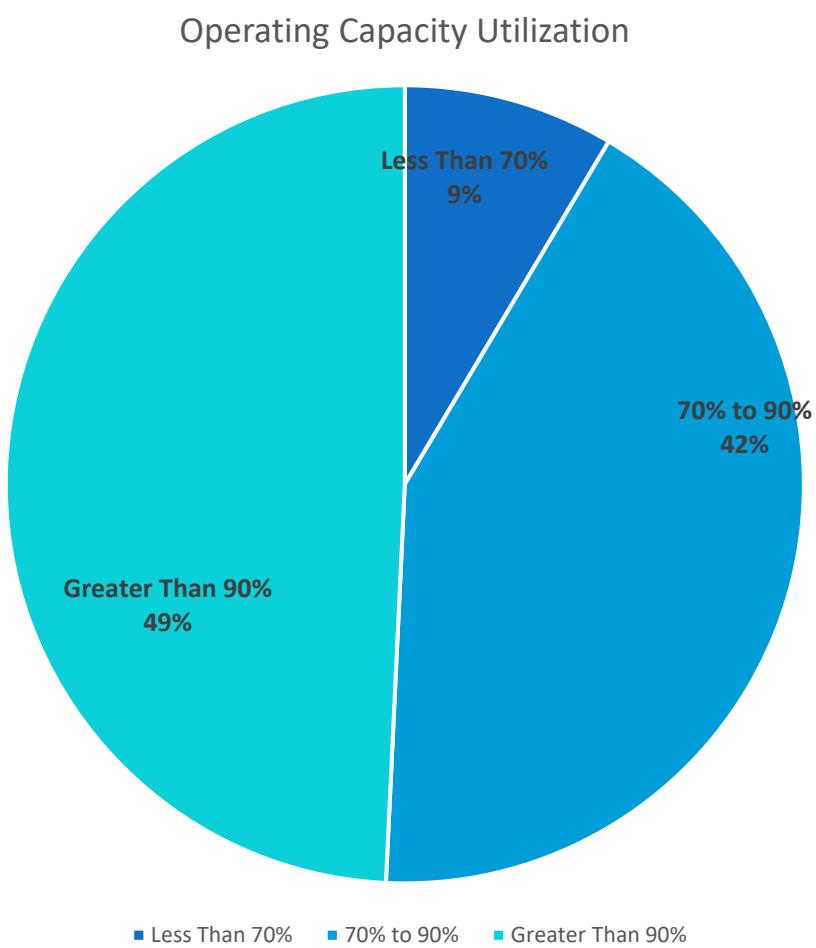
### Change in Pricing



### Change In Pricing - Projected History

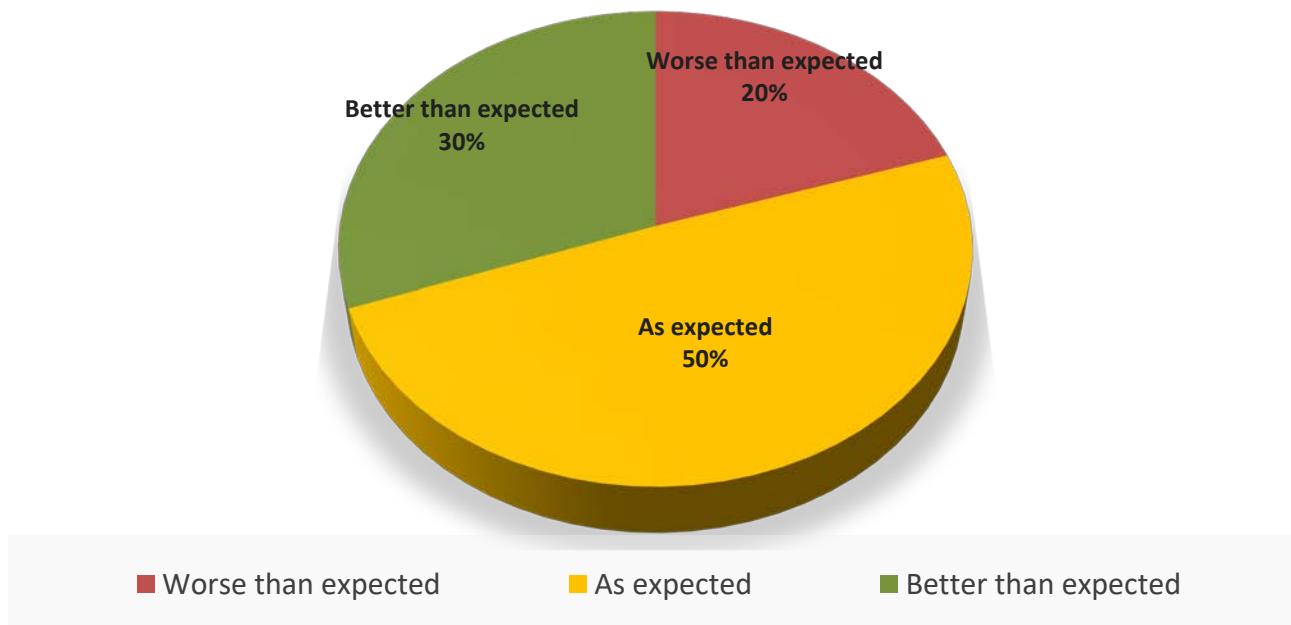


Decrease		No Change		Increase	
HIST Low	0% 2018	HIST High	4% 2017	HIST Low	42% 2018
				HIST High	60% 2017

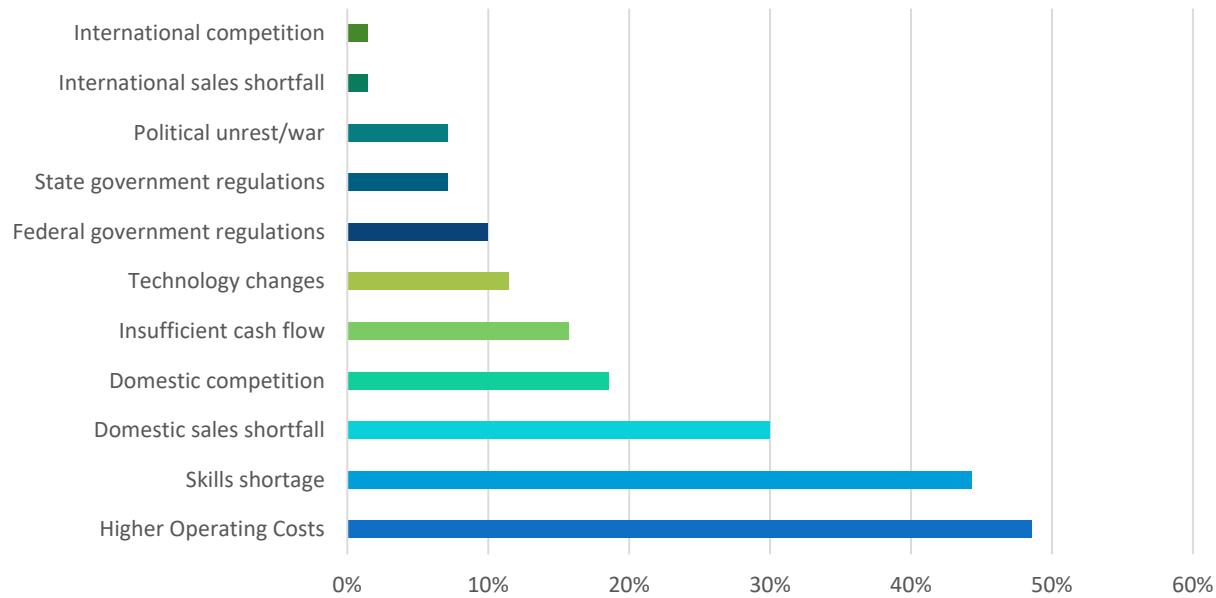


# PERFORMANCE

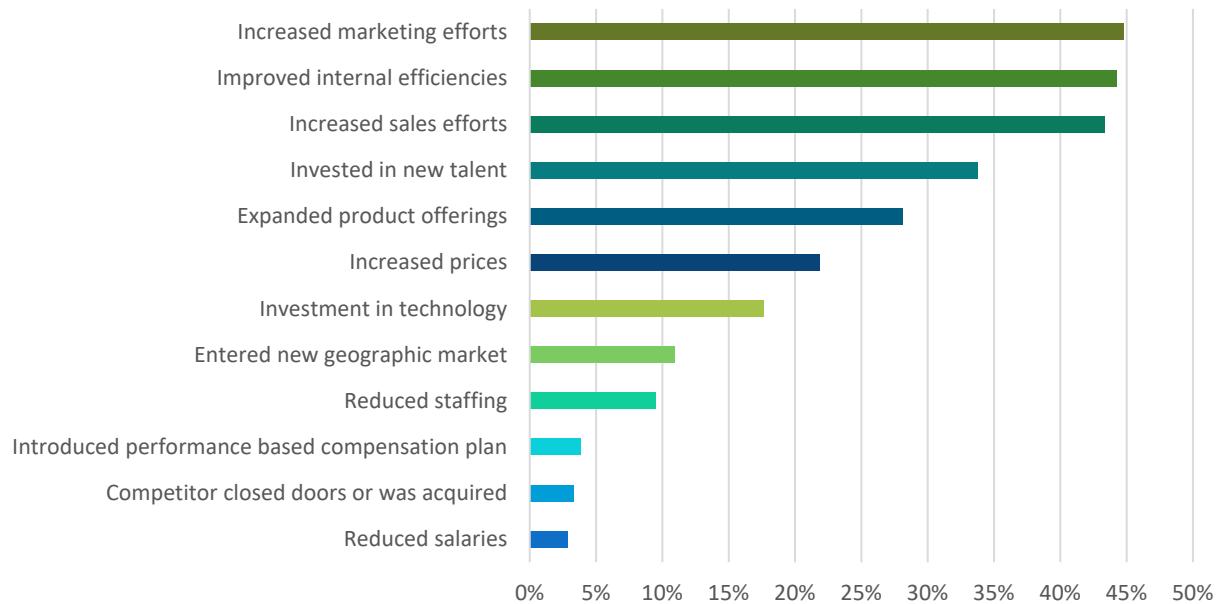
**Business performance in 2017 lived up to your expectations from the previous year?**



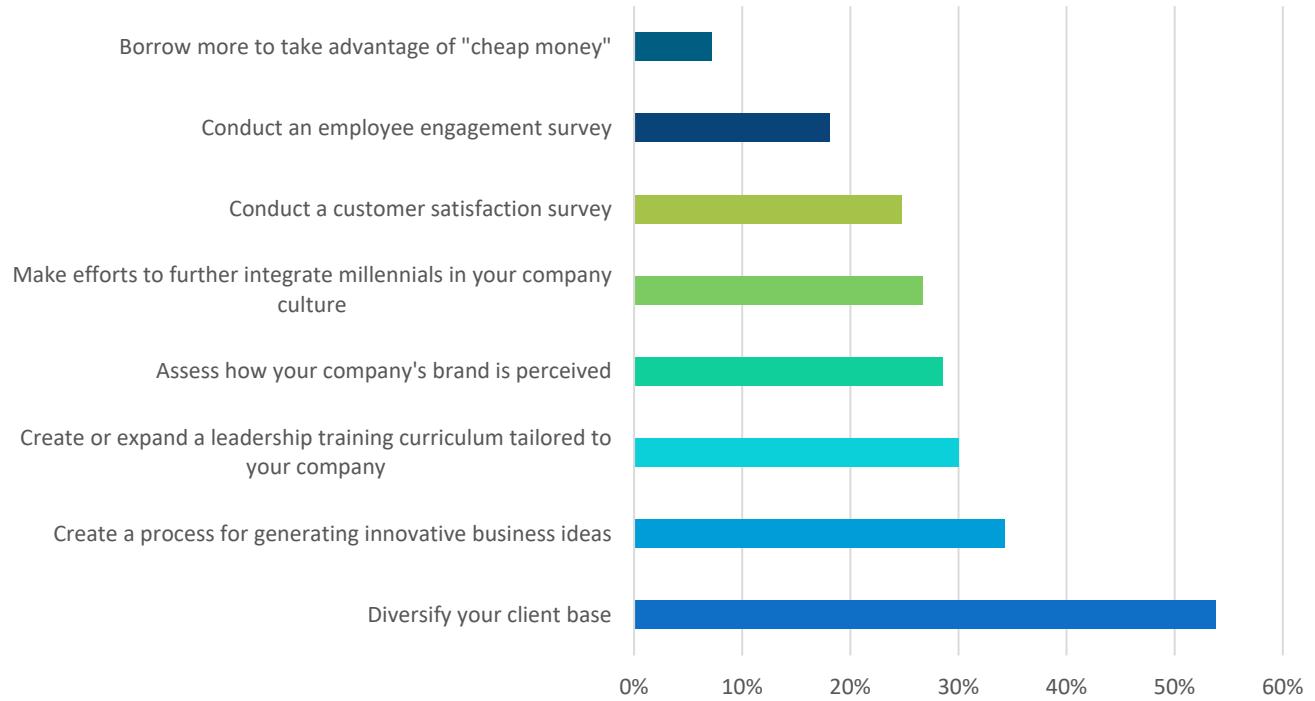
## Lower Performance Attributed To



## Improved Performance Attributed To



## Planned For 2018



**Will you perform better or worse overall  
in 2018 compared to 2017?**

