

2016

Business Outlook Survey



Experienced
Trusted
Insightful

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PURPOSE AND METHOD

The findings cited in this report are based on a survey sponsored by the National Pest Management Association (NPMA) and *Pest Control Technology (PCT)*. The purpose of this research project was to gather opinions of pest management professionals in the United States and Canada regarding where the market is heading.

The survey sample of 10,427 included all emailable contacts in the following two segments:

- primary company contacts in NPMA's membership list at unique company locations in the United States and Canada
- recipients of *PCT* at unique company locations in the United States and Canada and with titles of executive, owner, partner, or president

The 33-question survey was designed jointly by NPMA, *PCT*, and Readex. Placement of the survey on a web page, distribution of the electronic survey invitations, and tabulation of the results were handled by Readex.

On October 25, 2016, Readex contacted all sample members via an email in the name of NPMA's CEO and *PCT*'s publisher, which included a link to the survey, asking for their participation in the study. As an incentive to participate, respondents were able to enter into a drawing for a chance to win one of three \$100 Visa gift cards. It was also mentioned that results from the survey would be published in an upcoming issue of *PCT*.

Reminder emails were sent on October 28 and November 2 to those with deliverable email addresses who had not yet responded.

The survey was closed for tabulation on November 7, 2016, with 1,212 usable responses—a 12% response rate. As with any research, the results should be interpreted with the potential of non-response bias in mind. It is unknown how those who responded to the survey may be different from those who did not respond. In general, the higher the response rate, the lower the probability of estimation errors due to non-response and thus, the more stable the results.

The margin of error for percentages based on 1,212 respondents is ± 2.6 percentage points at the 95% confidence level. The margin of error for percentages based on smaller sample sizes will be larger.

Readex Research is a nationally recognized independent research company located in Stillwater, Minnesota. Its roots are in survey research for the magazine publishing industry, but specialization in conducting high-quality survey research (by mail and/or the Internet) has brought clients from many other markets, including associations, corporate marketers and communicators, and government agencies. Since its founding in 1947, Readex has completed thousands of surveys for hundreds of different clients.

As a full-service survey research supplier, Readex offers professional services, and in-house processing of all phases of each project (traditional mailing, broadcast emailing, and data processing) to ensure complete control over project quality and schedule. Analytical capabilities include a range of multivariate statistics and modeling techniques in addition to the more traditional stub-and-banner tabulations.

This survey was conducted and this report was prepared by Readex in accordance with accepted research standards and practices.

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Data Interpretation

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A **mean** is the arithmetic average of a distribution (i.e., a set of values). Because it is arithmetically calculated, it can be multiplied by the population represented to present a total volume estimate. For example, if 100 survey respondents (representing 10,000 people in the population) reported mean expenditures of \$100 each, total expenditures for that population are estimated as $10,000 \times \$100 = \$1,000,000$. Means are very much influenced by extremely large or extremely small values in the distribution (e.g., one millionaire can substantially raise an estimate of average income).

Means for grouped data are calculated using the midpoint of each range. The lowest-valued group is represented by its largest value; the highest-valued group by its lowest.

The **standard error** measures the variability associated with the survey's estimate of a population mean. The standard error is analogous to the margin of error associated with percentages: that is, 95% of the time we expect the true (unknown) population mean to be within plus-or-minus two standard errors of the mean calculated from the sample. A standard error that is large in proportion to the mean indicates a high level of statistical instability; trending and projections against such estimates should be undertaken cautiously.

A **median** is the value that lies at the middle of a distribution: that is, 50% of the values are above it and 50% are below. It represents the "typical" response, and is not influenced by extreme values. For most distributions, the median will be either roughly equal to, or significantly smaller than the mean.

Medians for grouped data are calculated by locating the group which contains the 50th percentile, then interpolating between the lower and upper bounds to estimate the precise value. Only the values listed *above* the statistics on a data table are used in the calculations.

TABLE 001 page 1

NPMA Membership Status

1. Are you (or is your company) a member of the National Pest Management Association (NPMA)?

base: all respondents	1212 100%
yes	817 67%
no	378 31%
no answer	17 1%

TABLE 002 page 1

Number of Employees

2. Including yourself and all locations, how many total employees does your pest control company employ?

base: all respondents	1212 100%
100 or more	42 3%
50 - 99	30 2%
20 - 49	103 8%
10 - 19	165 14%
2 - 9	593 49%
1 (only me)	275 23%
mean:	13.2
standard error:	0.62
median:	6
no answer	4 0%

TABLE 003 page 1

Company Location

3. In what state is your company headquartered?

base: all respondents	1212 100%
NORTHEAST:	
New England (CT, MA, ME, NH, RI, VT)	43 4%
Middle Atlantic (NJ, NY, PA)	115 9%
MIDWEST:	
East North Central (IL, IN, MI, OH, WI)	93 8%
West North Central (IA, KS, MN, MO, NE, ND, SD)	58 5%
SOUTH:	
South Atlantic (DC, DE, FL, GA, MD, NC, PR/VI, SC, VA, WV)	187 15%
East South Central (AL, KY, MS, TN)	51 4%
West South Central (AR, LA, OK, TX)	110 9%
WEST:	
Mountain (AZ, CO, ID, MT, NM, NV, UT, WY)	72 6%
Pacific (AK, CA, HI, OR, WA)	104 9%

TABLE 003 page 2

Company Location

3. In what state is your company headquartered?

base: all respondents	1212 100%
Canada	55 5%
other	7 1%
no answer	317 26%

TABLE 004 page 1

Services Offered

4. Which of the following pest control services does your company offer?

base: all respondents (multiple answers)	1212 100%
ant control	1147 95%
rodent control	1128 93%
cockroach control	1120 92%
flea control	1077 89%
bed bug control	955 79%
termite control	822 68%
mosquito control	667 55%
bird control	541 45%
wildlife control	506 42%
indicated at least one	1193 98%
none of these	16 1%
no answer	3 0%

TABLE 005 page 1

Largest Growth Market in 2016

5. Which one of these pest control services has represented your company's largest growth market in 2016?

base: all respondents	1212 100%
bed bug control	373 31%
ant control	215 18%
rodent control	155 13%
termite control	134 11%
cockroach control	96 8%
mosquito control	89 7%
wildlife control	38 3%
bird control	17 1%
flea control	13 1%
none of these	77 6%
no answer	5 0%

TABLE 006 page 1

Largest Growth Market Anticipated for 2017

6. Which one of these pest control services do you anticipate will be your company's largest growth market in 2017?

base: all respondents	1212 100%
bed bug control	338 28%
ant control	177 15%
mosquito control	168 14%
termite control	164 14%
rodent control	129 11%
cockroach control	78 6%
wildlife control	35 3%
bird control	22 2%
flea control	10 1%
none of these	85 7%
no answer	6 0%

TABLE 007 page 1

Rodent Control Offering

7. Does your company include rodent control as part of its general pest control service or as a separate offering?

base: all respondents	1212 100%
part of general pest control service	723 60%
separate offering	396 33%
no answer	93 8%

TABLE 008 page 1

Pest Pressure in 2016

8. How would you characterize the 2016 pest control season for your company in terms of pest pressure?

base: all respondents	1212 100%
significantly above average	127 10%
above average	520 43%
average	502 41%
below average	49 4%
significantly below average	6 0%
no answer	8 1%

TABLE 009 page 1

Change in Revenue From 2015

9. Compared with the same timeframe in 2015, have your company's 2016 pest control revenues increased, decreased, or remained the same?

base: all respondents	1212 100%
increased	930 77%
remained the same	206 17%
decreased	66 5%
no answer	10 1%

TABLE 010 page 1

Expected Change in Revenue in 2017

10. Compared with 2016, do you anticipate your company's 2017 revenues to increase, decrease, or remain the same?

base: all respondents	1212 100%
increase	1010 83%
remain the same	167 14%
decrease	26 2%
no answer	9 1%

TABLE 011 page 1

2017 Outlook: U.S. Economy

11. How would you rate the 2017 outlook for the U.S. economy overall and for the pest management industry?

U.S. ECONOMY

base: all respondents	1212 100%
+2 - very positive	93 8%
+1	359 30%
0	450 37%
-1	203 17%
-2 - very negative	82 7%
mean:	0.1
standard error:	0.03
no answer	25 2%

TABLE 012 page 1

2017 Outlook: Pest Management Industry

11. How would you rate the 2017 outlook for the U.S. economy overall and for the pest management industry?

PEST MANAGEMENT INDUSTRY

base: all respondents	1212 100%
+2 - very positive	227 19%
+1	599 49%
0	263 22%
-1	40 3%
-2 - very negative	8 1%
mean:	0.9
standard error:	0.02
no answer	75 6%

TABLE 013 page 1

Change in Ease of Recruiting Employees

12. Compared with 12 months ago, do you find it more difficult, about the same, or easier to recruit employees today?

base: all respondents	1212 100%
easier	39 3%
about the same	599 49%
more difficult	527 43%
no answer	47 4%

TABLE 014 page 1

Expected Plans to Change Size of Work Force in 2017

13. Compared with 2016, does your company plan to expand, reduce, or make no change to the size of its work force in 2017?

base: all respondents	1212 100%
expand	737 61%
no change	449 37%
reduce	7 1%
no answer	19 2%

TABLE 015 page 1

Pay Structure Offered to Technicians

14. What pay structure does your company typically offer technicians?

base: all respondents	1212 100%
hourly wage plus commission	464 38%
hourly wage only	301 25%
commission only	182 15%
other	236 19%
no answer	29 2%

TABLE 016 page 1

Plans for Technician Wage Increases

15. *By what percentage does your company plan to increase technician wages in 2017?*

base: those whose company offers hourly wages to its technicians	765 100%
15% or more	15 2%
10% - 14%	30 4%
5% - 9%	120 16%
3% - 4%	243 32%
1% - 2%	186 24%
none – do not plan to increase technician wages	162 21%
mean:	3.6%
standard error:	0.13%
median:	3%
no answer	9 1%

TABLE 017 page 1

Federal Minimum Wage Support

16. Do you support or oppose an increase to the federal minimum wage?

base: all respondents	1212 100%
support	341 28%
oppose	615 51%
no opinion	245 20%
no answer	11 1%

TABLE 018 page 1

Impact of Federal Minimum Wage Increase on Hiring Decisions

17. If the federal minimum wage is increased, how do you think it would impact your company's hiring decisions?

base: those whose company plans to expand the size of its work force in 2017	737 100%
significant impact: will cut back on hiring plans	108 15%
modest impact: will still hire additional technicians, but will make other financial adjustments to accommodate the increased personnel expenses	233 32%
no impact: will move ahead as planned with hiring plans	390 53%
no answer	6 1%

TABLE 019 page 1

Impact of Overtime Rules on Industry

18. What impact do you think the Labor Department's proposed overtime rules will have on the pest management industry?

base: all respondents	1212 100%
positive impact	73 6%
no impact	330 27%
negative impact	502 41%
not familiar with the proposed overtime rules	298 25%
no answer	9 1%

TABLE 020 page 1

Employee Health Insurance: Proportion Offering

19. Does your company offer employee health insurance?

base: all respondents	1212
	100%
yes	483
	40%
no	711
	59%
no answer	18
	1%

TABLE 021 page 1

Employee Health Insurance: Proportion of Premiums Covered by Company

20. What percentage of your employees' health insurance premiums are covered by your company?

base: those whose company offers employee health insurance	483 100%
100%	108 22%
75% - 99%	107 22%
50% - 74%	197 41%
less than 50%	51 11%
none	18 4%
mean:	70.2%
standard error:	1.20%
median:	72%
no answer	2 0%

TABLE 022 page 1

Employee Health Insurance: Actions Taken to Defray Costs

21. Which actions has your company taken to defray the costs of health insurance premiums?

base: those whose company offers employee health insurance (multiple answers)	483 100%
took lower profit	153 32%
became more productive/efficient	144 30%
raised prices	136 28%
increased employee cost/share	89 18%
delayed, postponed or reduced business investment	36 7%
reduced non-health-related benefits	32 7%
reduced/froze wages	28 6%
cut employees/reduced hours	11 2%
indicated at least one	362 75%
none – no actions taken	109 23%
no answer	12 2%

TABLE 023 page 1

Most Significant Challenge Facing Company

22. What is the most significant challenge currently facing your pest management company?

base: all respondents	1212 100%
attracting/hiring qualified staff	389 32%
attracting customers/new business	162 13%
taxes	128 11%
government regulation	125 10%
healthcare costs	94 8%
the economy	94 8%
cash flow	72 6%
too many competitors	64 5%
other	31 3%
none	50 4%
no answer	3 0%

TABLE 024 page 1

Issues Hampering Growth of Industry

23. Which of the following issues do you think are hampering growth of the pest control industry?

base: all respondents (multiple answers)	1212 100%
access to quality employees	498 41%
government regulation	435 36%
healthcare reform	281 23%
consumer confidence	190 16%
gridlock in Washington	123 10%
fuel costs	85 7%
available credit	74 6%
indicated at least one	996 82%
none of these	208 17%
no answer	8 1%

TABLE 025 page 1

Expected Changes: Company Head Count

24. Does your company plan to increase, decrease, or make no change to each of the following over the next 12 months?

COMPANY HEAD COUNT

base: all respondents	1212 100%
increase	630 52%
no change	472 39%
decrease	8 1%
not sure	80 7%
no answer	22 2%

TABLE 026 page 1

Expected Changes: Number of Locations

24. Does your company plan to increase, decrease, or make no change to each of the following over the next 12 months?

NUMBER OF LOCATIONS

base: all respondents	1212 100%
increase	150 12%
no change	998 82%
decrease	6 0%
not sure	26 2%
no answer	32 3%

TABLE 027 page 1

Expected Changes: Pest Control Service Offerings

24. Does your company plan to increase, decrease, or make no change to each of the following over the next 12 months?

PEST CONTROL SERVICE OFFERINGS

base: all respondents	1212 100%
increase	399 33%
no change	688 57%
decrease	19 2%
not sure	78 6%
no answer	28 2%

TABLE 028 page 1

Expected Changes: Spending for Capital Improvements

24. Does your company plan to increase, decrease, or make no change to each of the following over the next 12 months?

SPENDING FOR CAPITAL IMPROVEMENTS

base: all respondents	1212 100%
increase	417 34%
no change	599 49%
decrease	33 3%
not sure	132 11%
no answer	31 3%

TABLE 029 page 1

Expected Changes: Vehicle Fleet

24. Does your company plan to increase, decrease, or make no change to each of the following over the next 12 months?

VEHICLE FLEET

base: all respondents	1212 100%
increase	594 49%
no change	482 40%
decrease	17 1%
not sure	88 7%
no answer	31 3%

TABLE 030 page 1

Regulatory Environment of Industry

25. How would you describe the regulatory environment for the pest control industry?

base: all respondents	1212 100%
very reasonable	54 4%
somewhat reasonable	162 13%
neutral	284 23%
somewhat burdensome	520 43%
very burdensome	187 15%
no answer	5 0%

TABLE 031 page 1

Optimism of Future of Industry

26. How optimistic/pessimistic are you about the future of the pest management industry?

base: all respondents	1212 100%
very optimistic	524 43%
somewhat optimistic	463 38%
neutral	155 13%
somewhat pessimistic	50 4%
very pessimistic	10 1%
no answer	10 1%

TABLE 032 page 1

Proportion Who Would Still Become a Business Owner

27. *If you could do it all over again, would you still become a business owner?*

base: all respondents	1212 100%
yes	1102 91%
no	62 5%
not a business owner	46 4%
no answer	2 0%

TABLE 033 page 1

Most Rewarding Aspects of Owning a Business

28. What have been the most rewarding aspects of owning your own business?

base: those who are business owners (multiple answers)	1164 100%
being my own boss	801 69%
sense of accomplishment	748 64%
customers	666 57%
flexible schedule	610 52%
financial benefits	546 47%
creating jobs/employment	503 43%
working with family	425 37%
community involvement	394 34%
other	50 4%
indicated at least one	1152 99%
none	7 1%
no answer	5 0%

TABLE 034 page 1

Greatest Challenges Faced When First Owning Business

29. What were the greatest challenges you faced when you first owned your business?

base: those who are business owners (multiple answers)	1164 100%
generating revenue/customers	537 46%
personal sacrifice/long hours	526 45%
expenses/maintenance	388 33%
taxes/fees	382 33%
marketing	342 29%
cost of labor (wages, insurance, benefits, etc.)	315 27%
paperwork	304 26%
credit financing/availability of funds	301 26%
competitors	258 22%
economy	231 20%
government regulations	200 17%
HR issues	137 12%

TABLE 034 page 2

Greatest Challenges Faced When First Owning Business

29. *What were the greatest challenges you faced when you first owned your business?*

base: those who are business owners (multiple answers)	1164 100%
technology	99 9%
other	40 3%
indicated at least one	1137 98%
none	22 2%
no answer	5 0%

TABLE 035 page 1

Succession Plans

30. What are your plans for your business in the next five years?

base: those who are business owners	1164 100%
will likely pass along my business to a family member	174 15%
will likely sell my business	165 14%
do not plan to sell or pass along my business in the next five years	654 56%
not sure	162 14%
no answer	9 1%

TABLE 036 page 1

Company Worth

31. Is your company worth more, the same, or less today than it was five years ago?

base: all respondents	1212 100%
much more	506 42%
more	551 45%
same	106 9%
less	29 2%
much less	12 1%
no answer	8 1%

TABLE 037 page 1

Opinion of Statement: There Has Never Been a Better Time to Own a Pest Control Business Than Today.

32. How much do you agree or disagree with the following statements?

THERE HAS NEVER BEEN A BETTER
TIME TO OWN A PEST CONTROL
BUSINESS THAN TODAY.

base: all respondents	1212 100%
+2 - strongly agree	218 18%
+1	336 28%
0	453 37%
-1	134 11%
-2 - strongly disagree	59 5%
mean:	0.4
standard error:	0.03
no answer	12 1%

TABLE 038 page 1

Opinion of Statement: There Has Never Been a Better Time to Sell a Pest Control Business Than Today.

32. How much do you agree or disagree with the following statements?

THERE HAS NEVER BEEN A BETTER TIME TO SELL A PEST CONTROL BUSINESS THAN TODAY.

base: all respondents	1212 100%
+2 - strongly agree	182 15%
+1	237 20%
0	606 50%
-1	91 8%
-2 - strongly disagree	67 6%
mean:	0.3
standard error:	0.03
no answer	29 2%

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NPMA Membership Status

1. Are you (or is your company) a member of the National Pest Management Association (NPMA)?

base: all respondents	1212 100%
yes	817 67%
no	378 31%
no answer	17 1%

TABLE 002 page 1

Number of Employees

2. Including yourself and all locations, how many total employees does your pest control company employ?

base: all respondents	1212 100%
100 or more	42 3%
50 - 99	30 2%
20 - 49	103 8%
10 - 19	165 14%
2 - 9	593 49%
1 (only me)	275 23%
mean:	13.2
standard error:	0.62
median:	6
no answer	4 0%

TABLE 003 page 1

Company Location

3. In what state is your company headquartered?

base: all respondents	1212 100%
NORTHEAST:	
New England (CT, MA, ME, NH, RI, VT)	43 4%
Middle Atlantic (NJ, NY, PA)	115 9%
MIDWEST:	
East North Central (IL, IN, MI, OH, WI)	93 8%
West North Central (IA, KS, MN, MO, NE, ND, SD)	58 5%
SOUTH:	
South Atlantic (DC, DE, FL, GA, MD, NC, PR/VI, SC, VA, WV)	187 15%
East South Central (AL, KY, MS, TN)	51 4%
West South Central (AR, LA, OK, TX)	110 9%
WEST:	
Mountain (AZ, CO, ID, MT, NM, NV, UT, WY)	72 6%
Pacific (AK, CA, HI, OR, WA)	104 9%

TABLE 003 page 2

Company Location

3. In what state is your company headquartered?

base: all respondents	1212 100%
Canada	55 5%
other	7 1%
no answer	317 26%

TABLE 004 page 1

Services Offered

4. Which of the following pest control services does your company offer?

base: all respondents (multiple answers)	1212 100%
ant control	1147 95%
rodent control	1128 93%
cockroach control	1120 92%
flea control	1077 89%
bed bug control	955 79%
termite control	822 68%
mosquito control	667 55%
bird control	541 45%
wildlife control	506 42%
indicated at least one	1193 98%
none of these	16 1%
no answer	3 0%

TABLE 005 page 1

Largest Growth Market in 2016

5. Which one of these pest control services has represented your company's largest growth market in 2016?

base: all respondents	1212 100%
bed bug control	373 31%
ant control	215 18%
rodent control	155 13%
termite control	134 11%
cockroach control	96 8%
mosquito control	89 7%
wildlife control	38 3%
bird control	17 1%
flea control	13 1%
none of these	77 6%
no answer	5 0%

TABLE 006 page 1

Largest Growth Market Anticipated for 2017

6. Which one of these pest control services do you anticipate will be your company's largest growth market in 2017?

base: all respondents	1212 100%
bed bug control	338 28%
ant control	177 15%
mosquito control	168 14%
termite control	164 14%
rodent control	129 11%
cockroach control	78 6%
wildlife control	35 3%
bird control	22 2%
flea control	10 1%
none of these	85 7%
no answer	6 0%

TABLE 007 page 1

Rodent Control Offering

7. Does your company include rodent control as part of its general pest control service or as a separate offering?

base: all respondents	1212 100%
part of general pest control service	723 60%
separate offering	396 33%
no answer	93 8%

TABLE 008 page 1

Pest Pressure in 2016

8. How would you characterize the 2016 pest control season for your company in terms of pest pressure?

base: all respondents	1212 100%
significantly above average	127 10%
above average	520 43%
average	502 41%
below average	49 4%
significantly below average	6 0%
no answer	8 1%

TABLE 009 page 1

Change in Revenue From 2015

9. Compared with the same timeframe in 2015, have your company's 2016 pest control revenues increased, decreased, or remained the same?

base: all respondents	1212 100%
increased	930 77%
remained the same	206 17%
decreased	66 5%
no answer	10 1%

TABLE 010 page 1

Expected Change in Revenue in 2017

10. Compared with 2016, do you anticipate your company's 2017 revenues to increase, decrease, or remain the same?

base: all respondents	1212 100%
increase	1010 83%
remain the same	167 14%
decrease	26 2%
no answer	9 1%

TABLE 011 page 1

2017 Outlook: U.S. Economy

11. How would you rate the 2017 outlook for the U.S. economy overall and for the pest management industry?

U.S. ECONOMY

base: all respondents	1212 100%
+2 - very positive	93 8%
+1	359 30%
0	450 37%
-1	203 17%
-2 - very negative	82 7%
mean:	0.1
standard error:	0.03
no answer	25 2%

TABLE 012 page 1

2017 Outlook: Pest Management Industry

11. How would you rate the 2017 outlook for the U.S. economy overall and for the pest management industry?

PEST MANAGEMENT INDUSTRY

base: all respondents	1212 100%
+2 - very positive	227 19%
+1	599 49%
0	263 22%
-1	40 3%
-2 - very negative	8 1%
mean:	0.9
standard error:	0.02
no answer	75 6%

TABLE 013 page 1

Change in Ease of Recruiting Employees

12. Compared with 12 months ago, do you find it more difficult, about the same, or easier to recruit employees today?

base: all respondents	1212 100%
easier	39 3%
about the same	599 49%
more difficult	527 43%
no answer	47 4%

TABLE 014 page 1

Expected Plans to Change Size of Work Force in 2017

13. Compared with 2016, does your company plan to expand, reduce, or make no change to the size of its work force in 2017?

base: all respondents	1212 100%
expand	737 61%
no change	449 37%
reduce	7 1%
no answer	19 2%

TABLE 015 page 1

Pay Structure Offered to Technicians

14. What pay structure does your company typically offer technicians?

base: all respondents	1212 100%
hourly wage plus commission	464 38%
hourly wage only	301 25%
commission only	182 15%
other	236 19%
no answer	29 2%

TABLE 016 page 1

Plans for Technician Wage Increases

15. *By what percentage does your company plan to increase technician wages in 2017?*

base: those whose company offers hourly wages to its technicians	765 100%
15% or more	15 2%
10% - 14%	30 4%
5% - 9%	120 16%
3% - 4%	243 32%
1% - 2%	186 24%
none – do not plan to increase technician wages	162 21%
mean:	3.6%
standard error:	0.13%
median:	3%
no answer	9 1%

TABLE 017 page 1

Federal Minimum Wage Support

16. Do you support or oppose an increase to the federal minimum wage?

base: all respondents	1212 100%
support	341 28%
oppose	615 51%
no opinion	245 20%
no answer	11 1%

TABLE 018 page 1

Impact of Federal Minimum Wage Increase on Hiring Decisions

17. If the federal minimum wage is increased, how do you think it would impact your company's hiring decisions?

base: those whose company plans to expand the size of its work force in 2017	737 100%
significant impact: will cut back on hiring plans	108 15%
modest impact: will still hire additional technicians, but will make other financial adjustments to accommodate the increased personnel expenses	233 32%
no impact: will move ahead as planned with hiring plans	390 53%
no answer	6 1%

TABLE 019 page 1

Impact of Overtime Rules on Industry

18. What impact do you think the Labor Department's proposed overtime rules will have on the pest management industry?

base: all respondents	1212 100%
positive impact	73 6%
no impact	330 27%
negative impact	502 41%
not familiar with the proposed overtime rules	298 25%
no answer	9 1%

TABLE 020 page 1

Employee Health Insurance: Proportion Offering

19. Does your company offer employee health insurance?

base: all respondents	1212
	100%
yes	483
	40%
no	711
	59%
no answer	18
	1%

TABLE 021 page 1

Employee Health Insurance: Proportion of Premiums Covered by Company

20. What percentage of your employees' health insurance premiums are covered by your company?

base: those whose company offers employee health insurance	483 100%
100%	108 22%
75% - 99%	107 22%
50% - 74%	197 41%
less than 50%	51 11%
none	18 4%
mean:	70.2%
standard error:	1.20%
median:	72%
no answer	2 0%

TABLE 022 page 1

Employee Health Insurance: Actions Taken to Defray Costs

21. Which actions has your company taken to defray the costs of health insurance premiums?

base: those whose company offers employee health insurance (multiple answers)	483 100%
took lower profit	153 32%
became more productive/efficient	144 30%
raised prices	136 28%
increased employee cost/share	89 18%
delayed, postponed or reduced business investment	36 7%
reduced non-health-related benefits	32 7%
reduced/froze wages	28 6%
cut employees/reduced hours	11 2%
indicated at least one	362 75%
none – no actions taken	109 23%
no answer	12 2%

TABLE 023 page 1

Most Significant Challenge Facing Company

22. What is the most significant challenge currently facing your pest management company?

base: all respondents	1212 100%
attracting/hiring qualified staff	389 32%
attracting customers/new business	162 13%
taxes	128 11%
government regulation	125 10%
healthcare costs	94 8%
the economy	94 8%
cash flow	72 6%
too many competitors	64 5%
other	31 3%
none	50 4%
no answer	3 0%

TABLE 024 page 1

Issues Hampering Growth of Industry

23. Which of the following issues do you think are hampering growth of the pest control industry?

base: all respondents (multiple answers)	1212 100%
access to quality employees	498 41%
government regulation	435 36%
healthcare reform	281 23%
consumer confidence	190 16%
gridlock in Washington	123 10%
fuel costs	85 7%
available credit	74 6%
indicated at least one	996 82%
none of these	208 17%
no answer	8 1%

TABLE 025 page 1

Expected Changes: Company Head Count

24. Does your company plan to increase, decrease, or make no change to each of the following over the next 12 months?

COMPANY HEAD COUNT

base: all respondents	1212 100%
increase	630 52%
no change	472 39%
decrease	8 1%
not sure	80 7%
no answer	22 2%

TABLE 026 page 1

Expected Changes: Number of Locations

24. Does your company plan to increase, decrease, or make no change to each of the following over the next 12 months?

NUMBER OF LOCATIONS

base: all respondents	1212 100%
increase	150 12%
no change	998 82%
decrease	6 0%
not sure	26 2%
no answer	32 3%

TABLE 027 page 1

Expected Changes: Pest Control Service Offerings

24. Does your company plan to increase, decrease, or make no change to each of the following over the next 12 months?

PEST CONTROL SERVICE OFFERINGS

base: all respondents	1212 100%
increase	399 33%
no change	688 57%
decrease	19 2%
not sure	78 6%
no answer	28 2%

TABLE 028 page 1

Expected Changes: Spending for Capital Improvements

24. Does your company plan to increase, decrease, or make no change to each of the following over the next 12 months?

SPENDING FOR CAPITAL IMPROVEMENTS

base: all respondents	1212 100%
increase	417 34%
no change	599 49%
decrease	33 3%
not sure	132 11%
no answer	31 3%

TABLE 029 page 1

Expected Changes: Vehicle Fleet

24. Does your company plan to increase, decrease, or make no change to each of the following over the next 12 months?

VEHICLE FLEET

base: all respondents	1212 100%
increase	594 49%
no change	482 40%
decrease	17 1%
not sure	88 7%
no answer	31 3%

TABLE 030 page 1

Regulatory Environment of Industry

25. How would you describe the regulatory environment for the pest control industry?

base: all respondents	1212 100%
very reasonable	54 4%
somewhat reasonable	162 13%
neutral	284 23%
somewhat burdensome	520 43%
very burdensome	187 15%
no answer	5 0%

TABLE 031 page 1

Optimism of Future of Industry

26. How optimistic/pessimistic are you about the future of the pest management industry?

base: all respondents	1212 100%
very optimistic	524 43%
somewhat optimistic	463 38%
neutral	155 13%
somewhat pessimistic	50 4%
very pessimistic	10 1%
no answer	10 1%

TABLE 032 page 1

Proportion Who Would Still Become a Business Owner

27. *If you could do it all over again, would you still become a business owner?*

base: all respondents	1212 100%
yes	1102 91%
no	62 5%
not a business owner	46 4%
no answer	2 0%

TABLE 033 page 1

Most Rewarding Aspects of Owning a Business

28. What have been the most rewarding aspects of owning your own business?

base: those who are business owners (multiple answers)	1164 100%
being my own boss	801 69%
sense of accomplishment	748 64%
customers	666 57%
flexible schedule	610 52%
financial benefits	546 47%
creating jobs/employment	503 43%
working with family	425 37%
community involvement	394 34%
other	50 4%
indicated at least one	1152 99%
none	7 1%
no answer	5 0%

TABLE 034 page 1

Greatest Challenges Faced When First Owning Business

29. What were the greatest challenges you faced when you first owned your business?

base: those who are business owners (multiple answers)	1164 100%
generating revenue/customers	537 46%
personal sacrifice/long hours	526 45%
expenses/maintenance	388 33%
taxes/fees	382 33%
marketing	342 29%
cost of labor (wages, insurance, benefits, etc.)	315 27%
paperwork	304 26%
credit financing/availability of funds	301 26%
competitors	258 22%
economy	231 20%
government regulations	200 17%
HR issues	137 12%

TABLE 034 page 2

Greatest Challenges Faced When First Owning Business

29. *What were the greatest challenges you faced when you first owned your business?*

base: those who are business owners (multiple answers)	1164 100%
technology	99 9%
other	40 3%
indicated at least one	1137 98%
none	22 2%
no answer	5 0%

TABLE 035 page 1

Succession Plans

30. What are your plans for your business in the next five years?

base: those who are business owners	1164 100%
will likely pass along my business to a family member	174 15%
will likely sell my business	165 14%
do not plan to sell or pass along my business in the next five years	654 56%
not sure	162 14%
no answer	9 1%

TABLE 036 page 1

Company Worth

31. Is your company worth more, the same, or less today than it was five years ago?

base: all respondents	1212 100%
much more	506 42%
more	551 45%
same	106 9%
less	29 2%
much less	12 1%
no answer	8 1%

TABLE 037 page 1

Opinion of Statement: There Has Never Been a Better Time to Own a Pest Control Business Than Today.

32. How much do you agree or disagree with the following statements?

THERE HAS NEVER BEEN A BETTER TIME TO OWN A PEST CONTROL BUSINESS THAN TODAY.

base: all respondents	1212 100%
+2 - strongly agree	218 18%
+1	336 28%
0	453 37%
-1	134 11%
-2 - strongly disagree	59 5%
mean:	0.4
standard error:	0.03
no answer	12 1%

TABLE 038 page 1

Opinion of Statement: There Has Never Been a Better Time to Sell a Pest Control Business Than Today.

32. How much do you agree or disagree with the following statements?

THERE HAS NEVER BEEN A BETTER TIME TO SELL A PEST CONTROL BUSINESS THAN TODAY.

base: all respondents	1212 100%
+2 - strongly agree	182 15%
+1	237 20%
0	606 50%
-1	91 8%
-2 - strongly disagree	67 6%
mean:	0.3
standard error:	0.03
no answer	29 2%