

2016 Annual Bank of the West Small Business Growth Survey



Conducted by Harris Poll
harris poll | 07/26/2016

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Background and Objectives

- The 2016 Bank of the West Small Business Growth Survey was designed to understand the life and journey of a small business owner, identifying the unique benefits and challenges they experience, with an additional focus on whether they are working to grow their businesses. In an effort to measure growth, an index was created to measure small business growth in the U.S. year-to-year. The index was updated for 2016 and applied to the 2015 data where necessary.
- Specifically, the research aimed to understand the following regarding small businesses:
 - Attitudes and perceptions about life as a small business owner
 - Challenges and financial issues related to being a small business owner
 - Essential ingredients to success
 - Goals for the business as well as themselves as an owner
 - Past business performance and expectations for future performance
 - Barriers to growth
 - Areas of investment and downsizing

Methodology


- This survey was conducted online within the United States by Harris Poll on behalf of Bank of the West between April 13-May 9, 2016 among 505 US residents who own a business with two or more non-owner, full-time employees; less than \$10 million in annual revenue; has been in operation for at least five years; and, has had an ownership role for at least five years. In addition, interviews of 102 small business owners from Northern California and 105 from Southern California were collected.
 - Northern California was defined as the following counties: Alameda, Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Fresno, Glenn, Humboldt, Inyo, Kings, Lake, Lassen, Madera, Marin, Mariposa, Mendocino, Merced, Modoc, Mono, Monterey, Napa, Nevada, Placer, Plumas, Sacramento, San Benito, San Francisco, San Joaquin, San Mateo, Santa Clara, Santa Cruz, Shasta, Sierra, Siskiyou, Solano, Sonoma, Stanislaus, Sutter, Tehama, Trinity, Tulare, Tuolumne, Yolo, and Yuba
 - Southern California was defined as the following counties: Imperial, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura
- The national data has been weighted to reflect the composition of US businesses with annual revenue of less than \$10 million. Data for the California oversample are not weighted.
- Respondents for this survey were selected from among those who have agreed to participate in Harris Poll surveys. Since the sample is based on those who agreed to participate in the panel, no estimates of theoretical sampling error can be calculated.

Executive Summary

Executive summary


- **Most small business owners (SBOs) say they put everything they have into their business, and an overwhelming majority say that everything they've sacrificed has been worth it.**
- **Advantages SBOs enjoy the most are personal independence and a sense of community.**
- **Top challenges SBOs face are both personal and financial, such as living with uncertainty and ensuring financial comfort for their families.**
- **Ingredients for success and advice for new SBOs from current SBOs focus more on personal leadership qualities.**
- **Majority have an optimistic outlook for their own business, are planning for growth, or fall into the growth segment of the index.**
- **Significant increase in proportion of small businesses that fall into the “Growth” category (meaning they achieved a combination of growth in profitability, revenue or investments in the past 12 months) of the index compared to last year.**
- **California is a bright spot for small business growth, with Northern California experiencing increased growth and Southern California seeing stabilization**
- **Women SBOs face unique challenges and perks versus their male counterparts**

Detailed Findings

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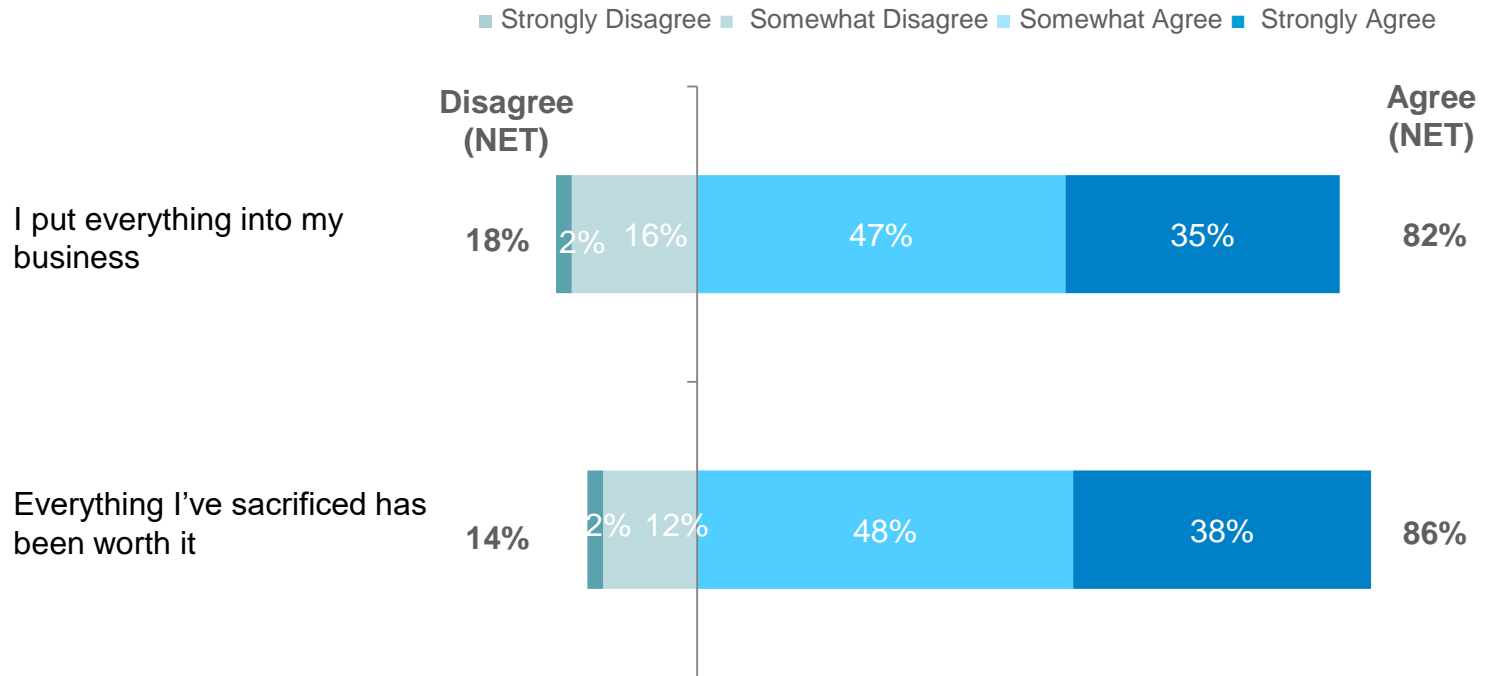
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The life of a small business owner: Advantages, challenges, and why it's all worth it

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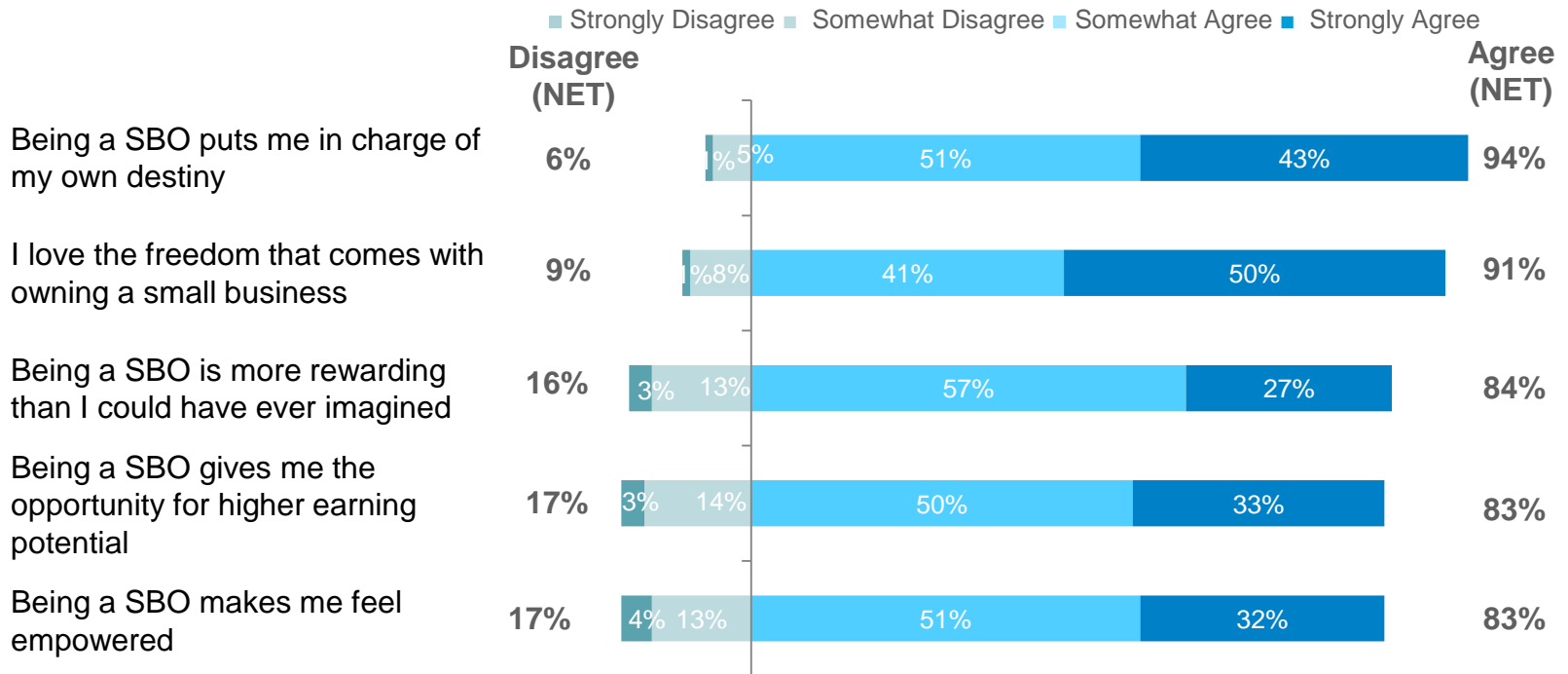
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Majority of SBOs put everything into their business and believe the sacrifice has been worth it



BASE: ALL NATIONAL RESPONDENTS (n=505)
MQ35 To what extent do you agree with the following statements?

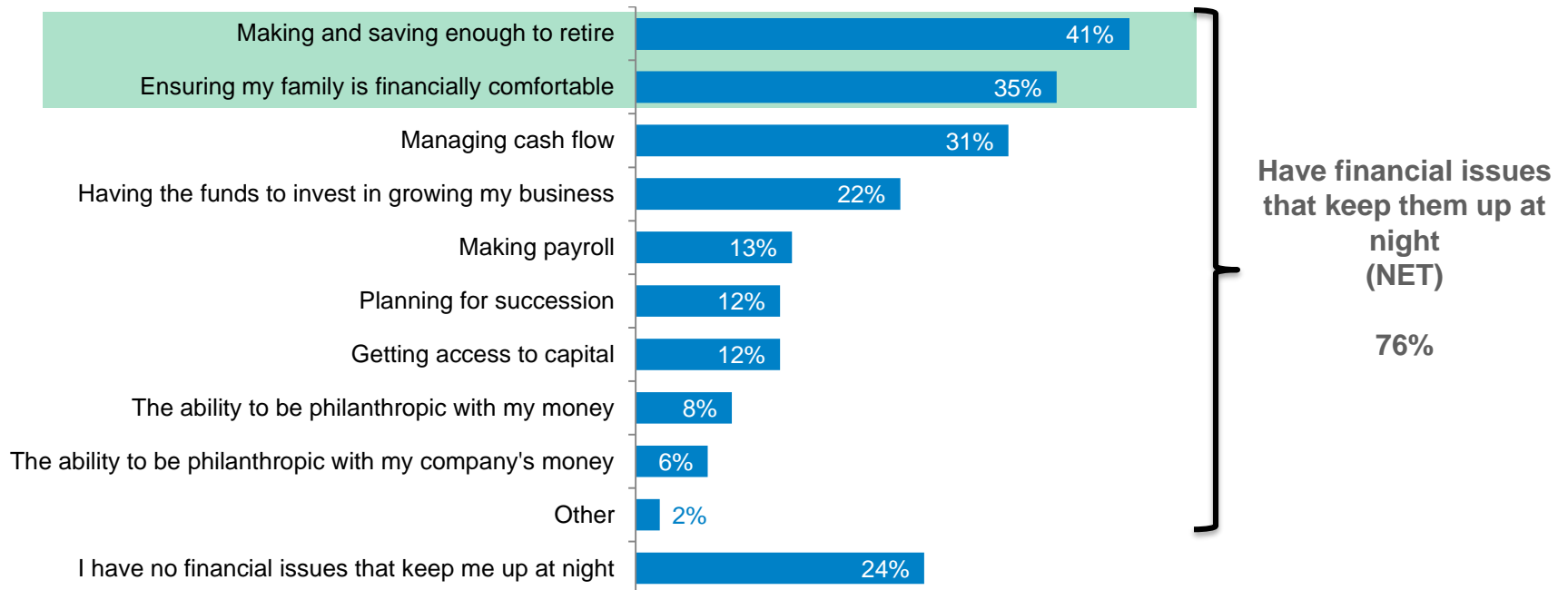
But, nearly all feel being a SBO puts them in charge of their own destiny



BASE: ALL NATIONAL RESPONDENTS (n=505)
 MQ35. To what extent do you agree with the following statements?

Most have personal financial issues keeping them up at night; topped by retirement and supporting family

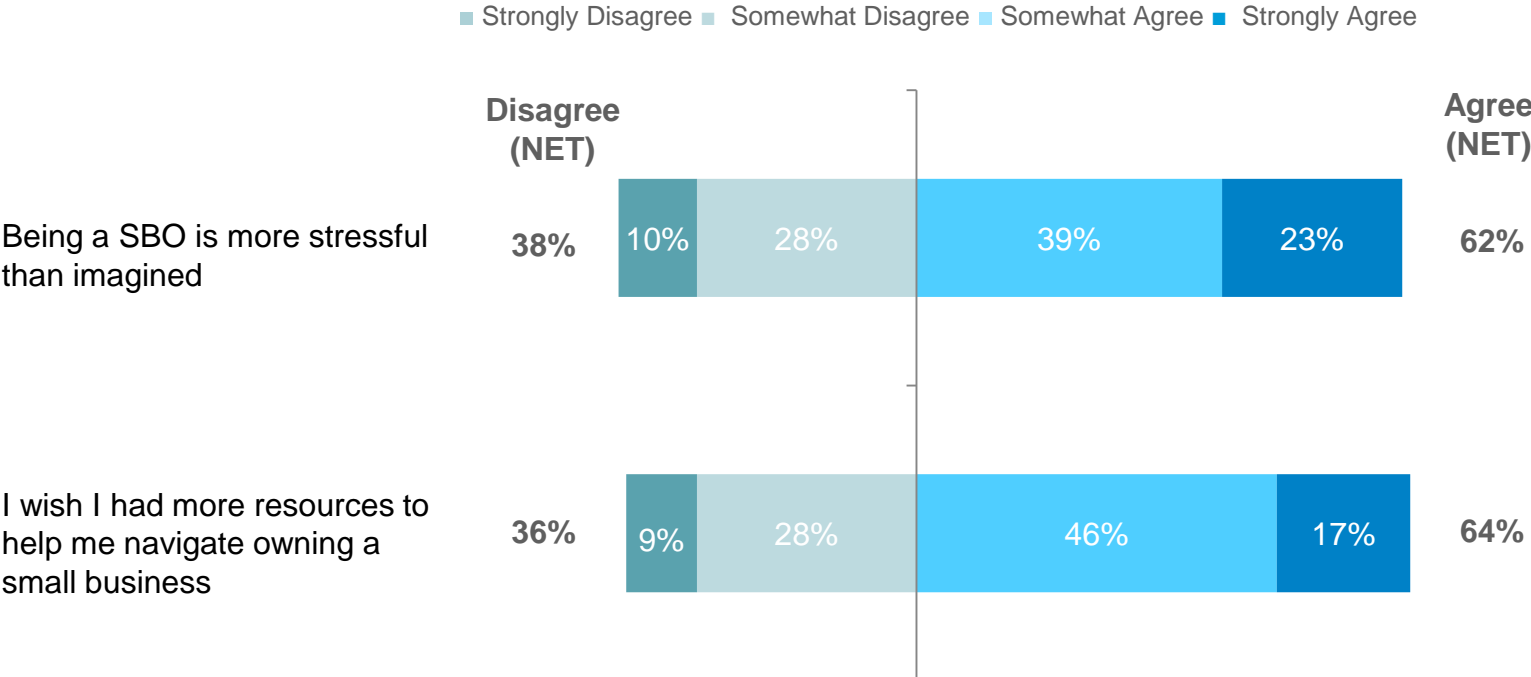
Financial issues that keep SBOs up at night



BASE: ALL NATIONAL RESPONDENTS (n=505)

MQ33 Which of the following financial issues, if any, keep you up at night?

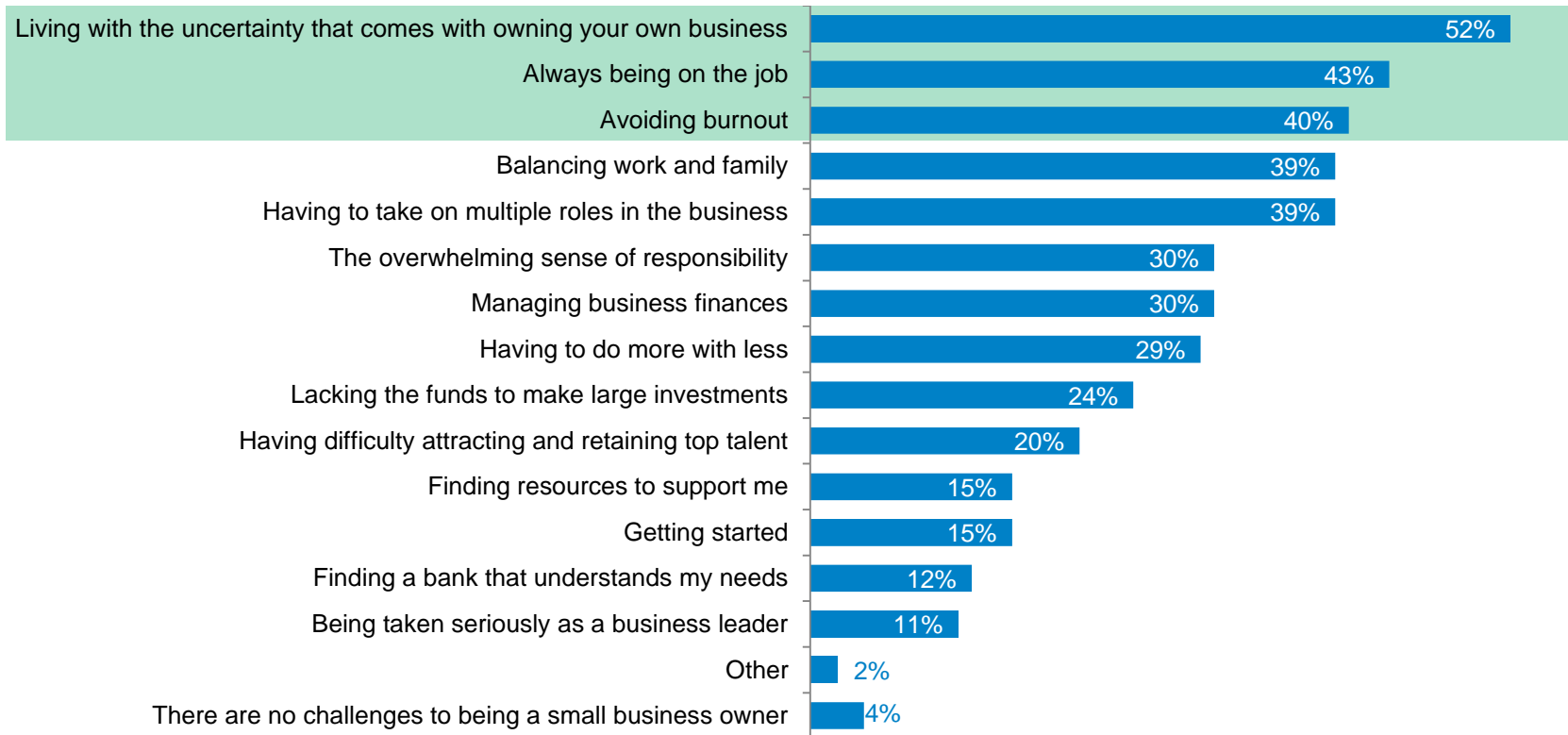
SBOs admit job is more stressful than imagined and desire more resources



BASE: ALL NATIONAL RESPONDENTS (n=505)
 MQ35 To what extent do you agree with the following statements?

Uncertainty, always being on the job, and avoiding burnout are biggest challenges

Biggest challenges of being a business owner

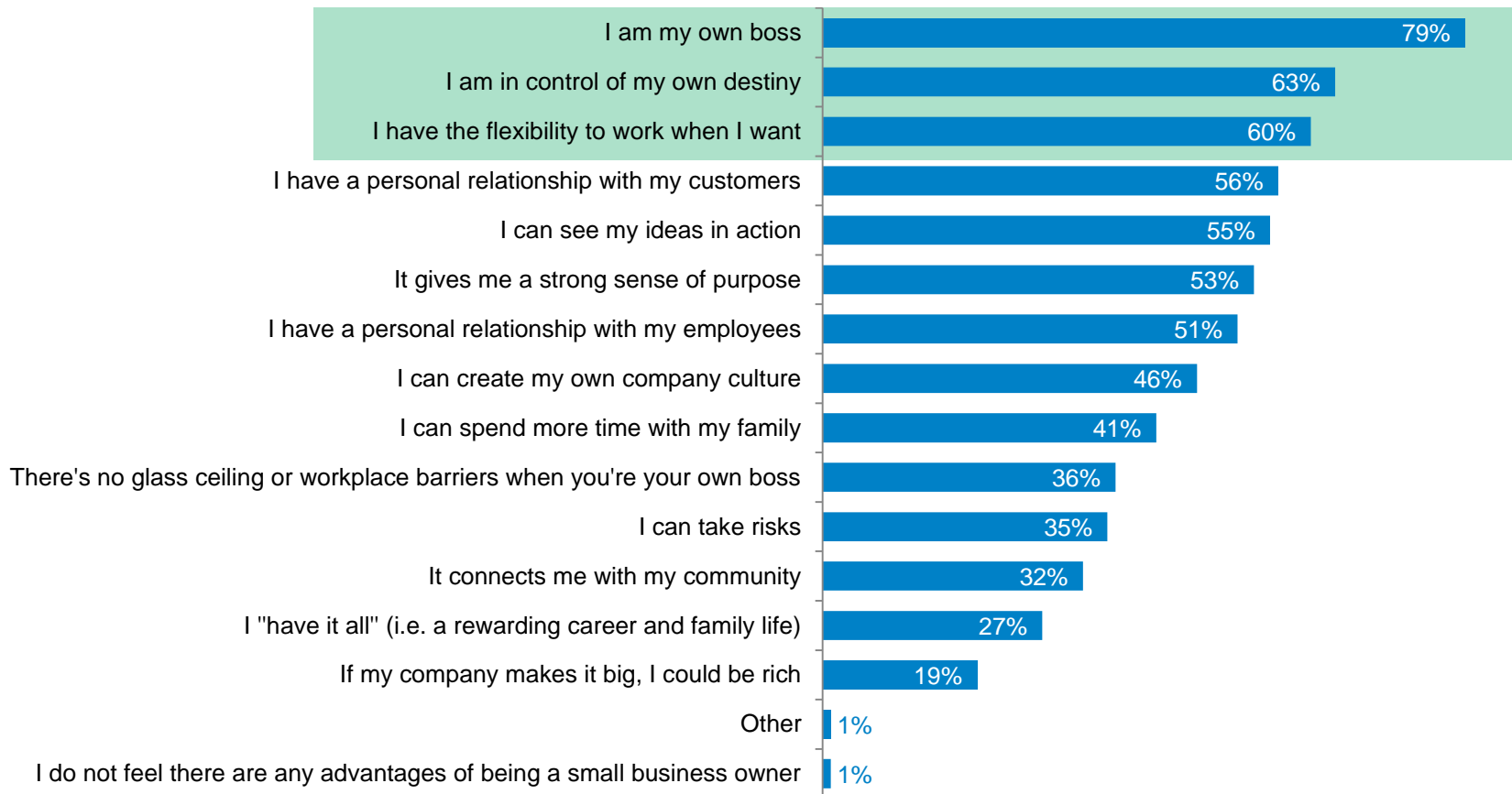


BASE: ALL NATIONAL RESPONDENTS (n=505)

MQ32 Which of the following do you feel are the biggest challenges of being a small business owner?

Aspects of personal independence/control are best parts of being a SBO

Favorite parts of being a business owner

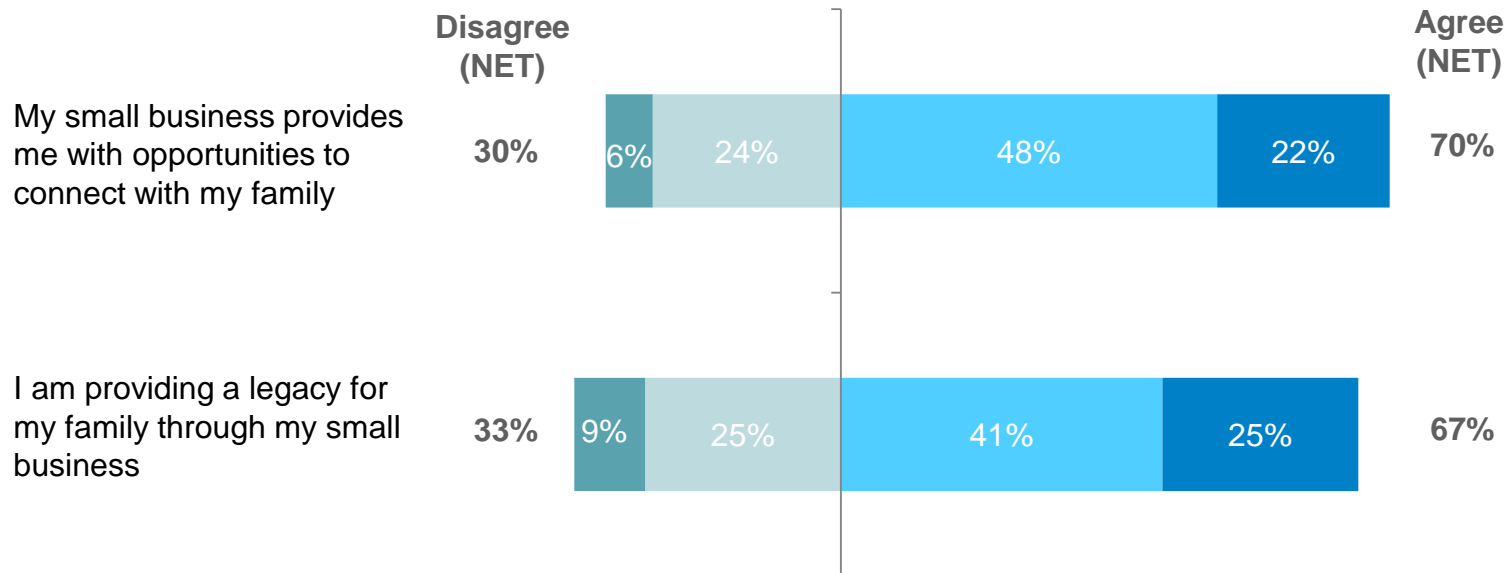


BASE: ALL NATIONAL RESPONDENTS (n=505)

MQ31. Which of the following, if any, do you feel are the best parts of being a small business owner?

Majority recognize small business ownership as a way to connect with family and leave a legacy

■ Strongly Disagree ■ Somewhat Disagree ■ Somewhat Agree ■ Strongly Agree

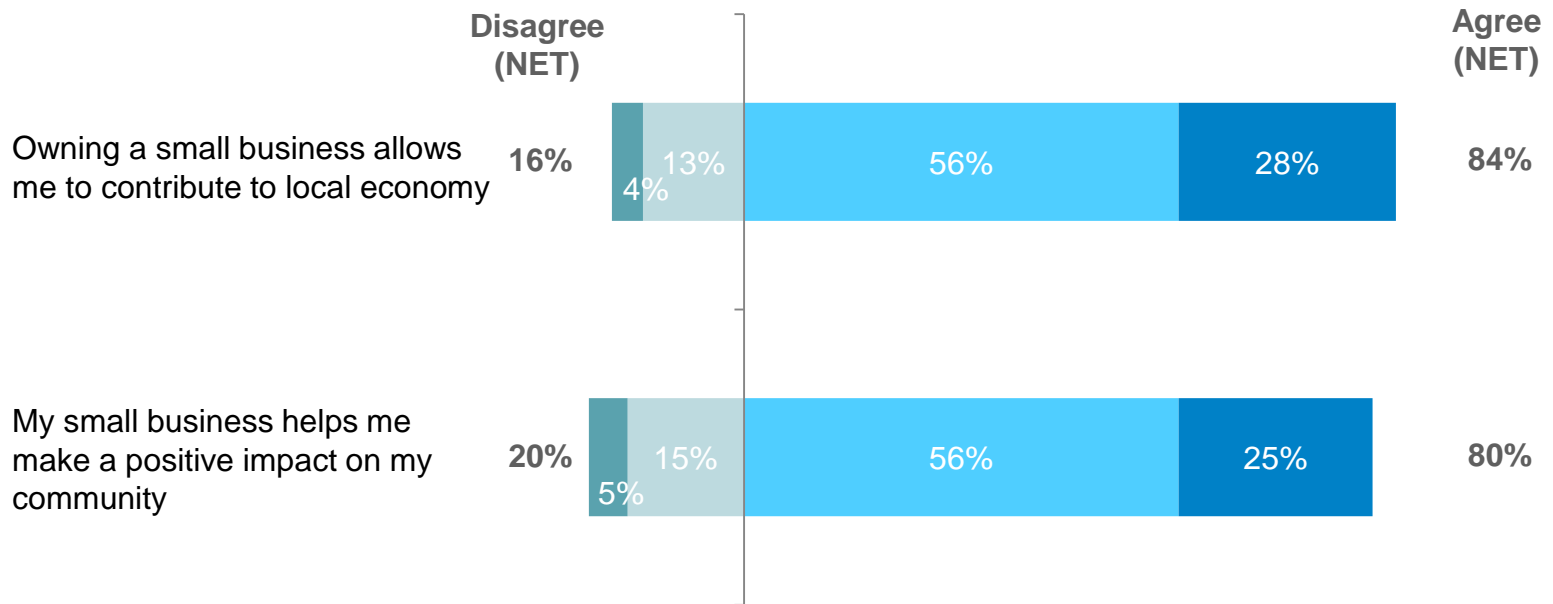


BASE: ALL NATIONAL RESPONDENTS (n=505)

MQ35 To what extent do you agree with the following statements?

SBOs view small business ownership as a way to positively impact their local economy and community

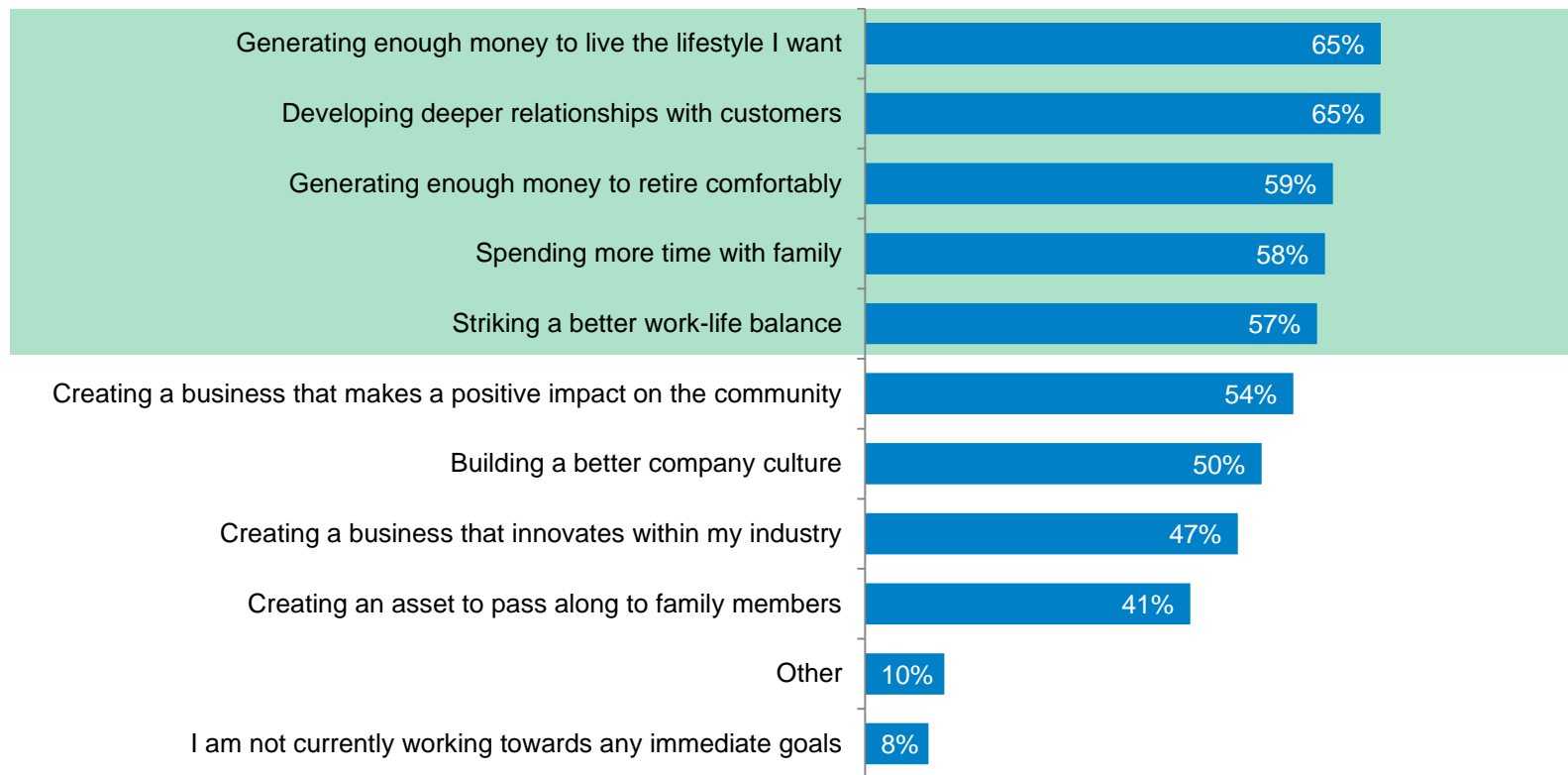
■ Strongly Disagree ■ Somewhat Disagree ■ Somewhat Agree ■ Strongly Agree



BASE: ALL NATIONAL RESPONDENTS (n=505)
 MQ35 To what extent do you agree with the following statements?

Current goals reflect the breadth of personal and business priorities SBOs balance

Currently working towards this goal

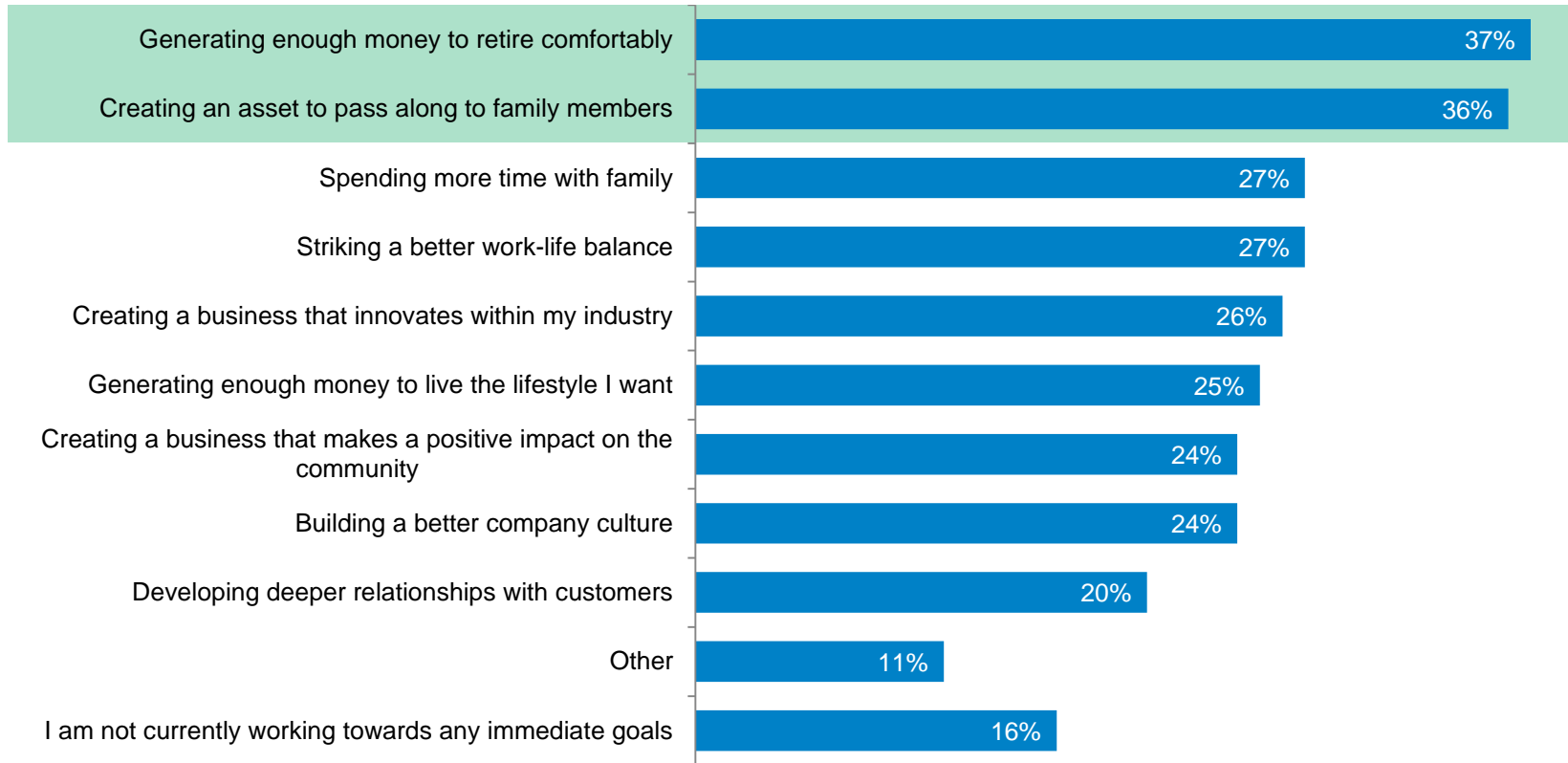


BASE: ALL NATIONAL RESPONDENTS (n=505)

MQ36_1 Which of the following are goals you are working towards or plan on working towards in the future?

But the most common goals for the future are personal rather than professional

Plan on working towards this goal in the future

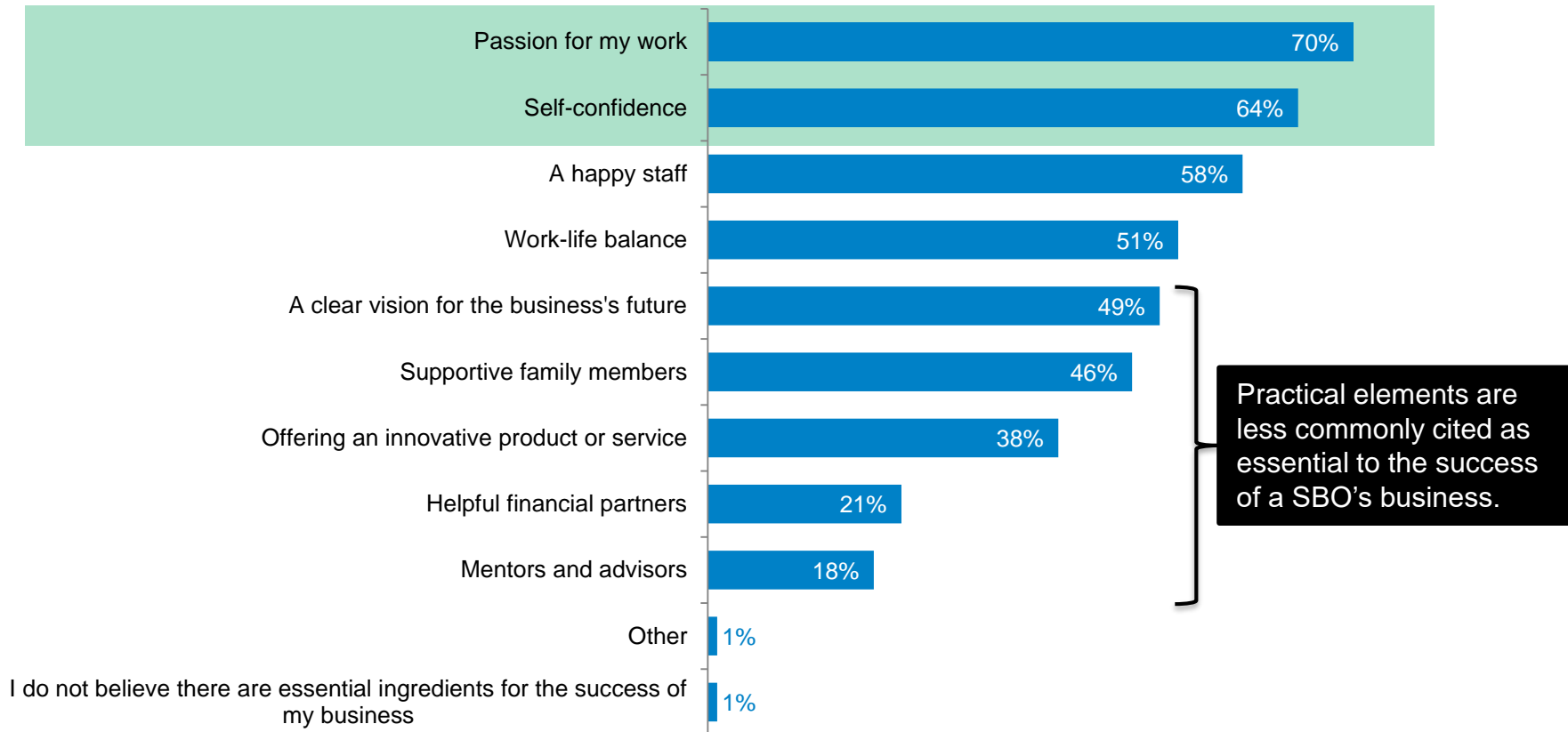


BASE: ALL NATIONAL RESPONDENTS (n=505)

MQ36_2 Which of the following are goals you are working towards or plan on working towards in the future?

Personal leadership qualities are most commonly selected as essential to business success

Elements essential to success of their business

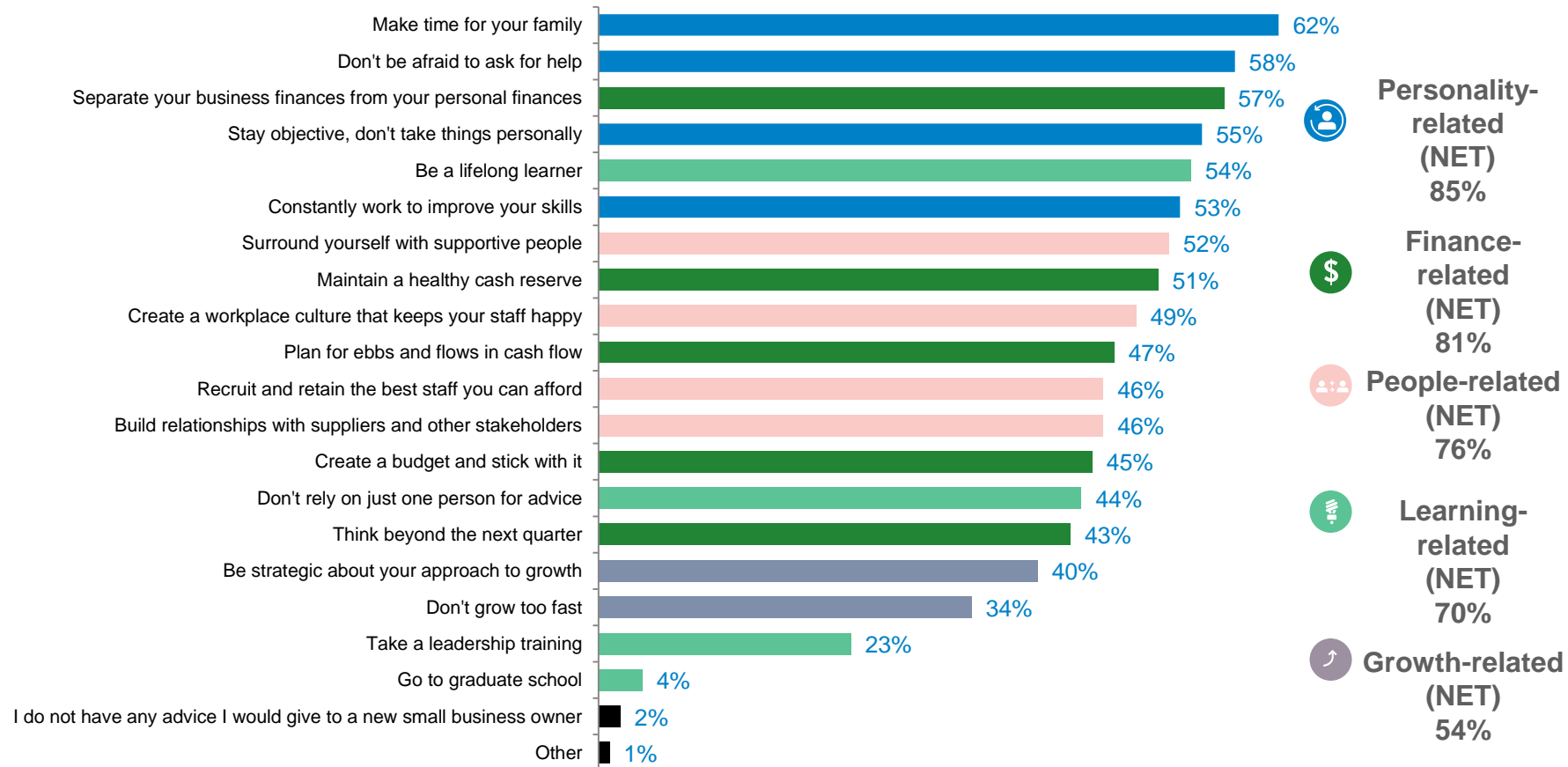


BASE: ALL NATIONAL RESPONDENTS (n=505)

MQ34 Which of the following, if any, do you consider to be essential ingredients for the success of your business?

Making time for family tops list of advice to new SBOs

Advice SBOs would give to a new small business owner



BASE: ALL NATIONAL RESPONDENTS (n=505)

MQ38 Thinking about your experience as a small business owner, what advice would you give to a new small business owner?

More “growth” SBOs’ advice focus on people/learning

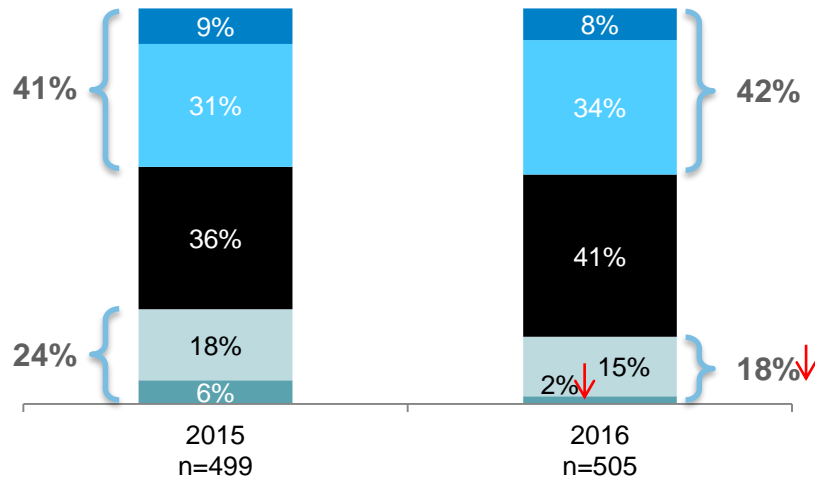
- **“Growth” SBOs** (meaning they achieved a combination of growth in profitability, revenue or investments in the past 12 months) are more likely than “Loss” SBOs to **give advice related to people or learning** to a new SBO.

Advice they would give to a new SBO – People-related	Loss	Growth
<i>Surround yourself with supportive people</i>	44%	55%
<i>Create a workplace culture that keeps your staff happy</i>	33%	54%
<i>Build relationships with suppliers and other stakeholders</i>	36%	49%
Advice they would give to a new SBO – Learning-related	Loss	Growth
<i>Be a lifelong learner</i>	44%	58%
<i>Take a leadership training</i>	13%	27%
Advice they would give to a new SBO – Other	Loss	Growth
<i>Be strategic about your approach to growth</i>	30%	43%

Businesses maintain performance and confidence amid economic and political uncertainty

This year SBOs less likely to report profitability decline in past 12 months

Change in profitability over the past 12 months



■ Significantly more profitable ■ Slightly more profitable
■ Stay consistent
■ Significantly less profitable ■ Slightly less profitable

Change in profitability in % over the past 12 months

Percent Increase	Positive Profits		Percent Decrease	Negative Profits	
	2015	2016		2015	2016
n	201	215	n	120	85*
1-5	21%	11%↓	-1 - -5	18%	25%
6-10	26%	31%	-6 - -10	20%	20%
11-15	15%	16%	-11 - -15	15%	19%
16-20	12%	17%	-16 - -20	13%	17%
21+	26%	24%	-21+	34%	19%↓
MEAN	25.9	19.4	MEAN	-23.3	-17.3↑
MEDIAN	15	15	MEDIAN	-15	-14

*small base size less than 100, do not use for public release

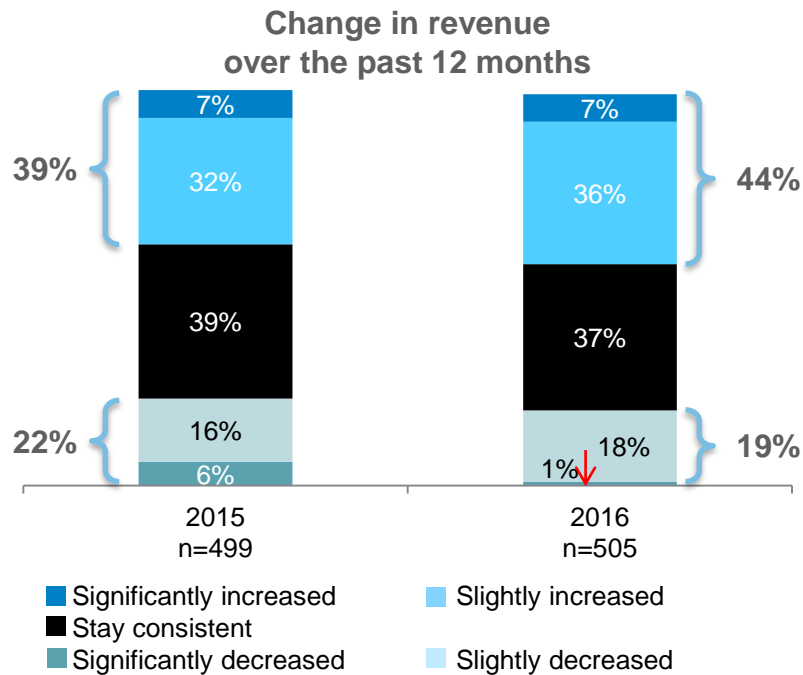
BASE: ALL NATIONAL RESPONDENTS 2016 (n=505), 2015 (n=499)

Q2 How has your company's profitability changed compared to this time last year?

Q2A You mentioned your company's profitability [decrease/increase]. Please enter the percentage [decrease/increase] in the box below.

↑↓ Indicates significant change from previous wave at the 95% c.i.

This year, 44 percent of SBOs reported increased revenues in past 12 months



Change in revenue in % over the past 12 months

Percent Increase	Positive Profits		Percent Decrease	Negative Profits	
	2015	2016		2015	2016
n	199	222	n	110	92*
1-5	20%	18%	-1 - -5	10%	22% ↑
6-10	26%	28%	-6 - -10	30%	31%
11-15	15%	19%	-11 - -15	12%	18%
16-20	11%	11%	-16 - -20	18%	9%
21+	28%	23%	-21+	30%	20%
MEAN	24.4	19.1	MEAN	-21.9	-15.8 ↑
MEDIAN	13	15	MEDIAN	-15	-10

*small base size less than 100, do not use for public release

BASE: ALL NATIONAL RESPONDENTS 2016 (n=505), 2015 (n=499)

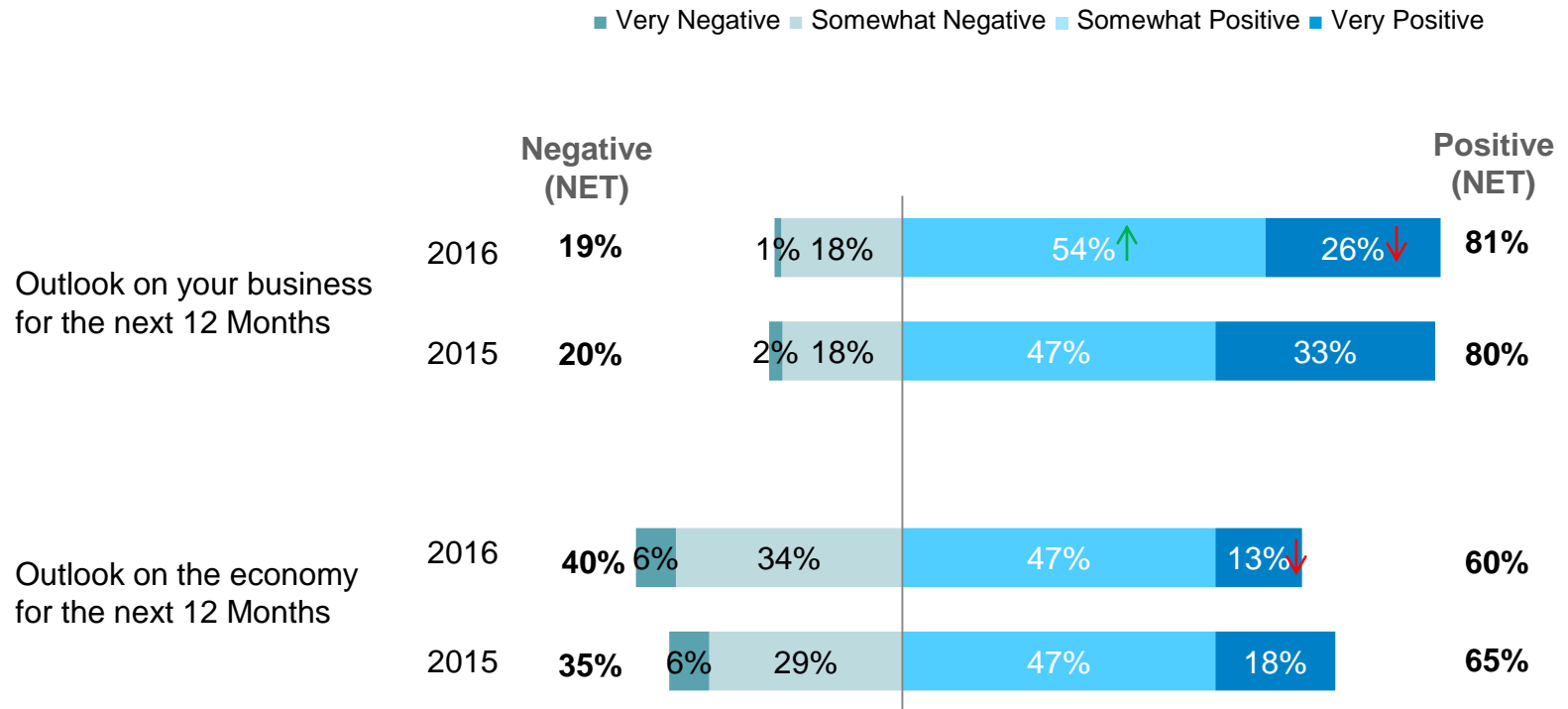
Q5 How has your company's *revenue* changed compared to this time last year?

Q5A You mentioned your company's *revenue* [INSERT 'decreased' if Q5/1-2; INSERT 'increased' if Q5/4-5]. Please enter the percentage [INSERT 'decrease' if Q5/1-2; INSERT 'increase' if Q5/4-5] in the box below.

↑↓ Indicates significant change from previous wave at the 95% C.I.

Outlooks and Expectations

SBOs outlook on their business optimistic despite increased negativity towards economy



BASE: ALL NATIONAL RESPONDENTS 2016 (n=505), 2015 (n=499)

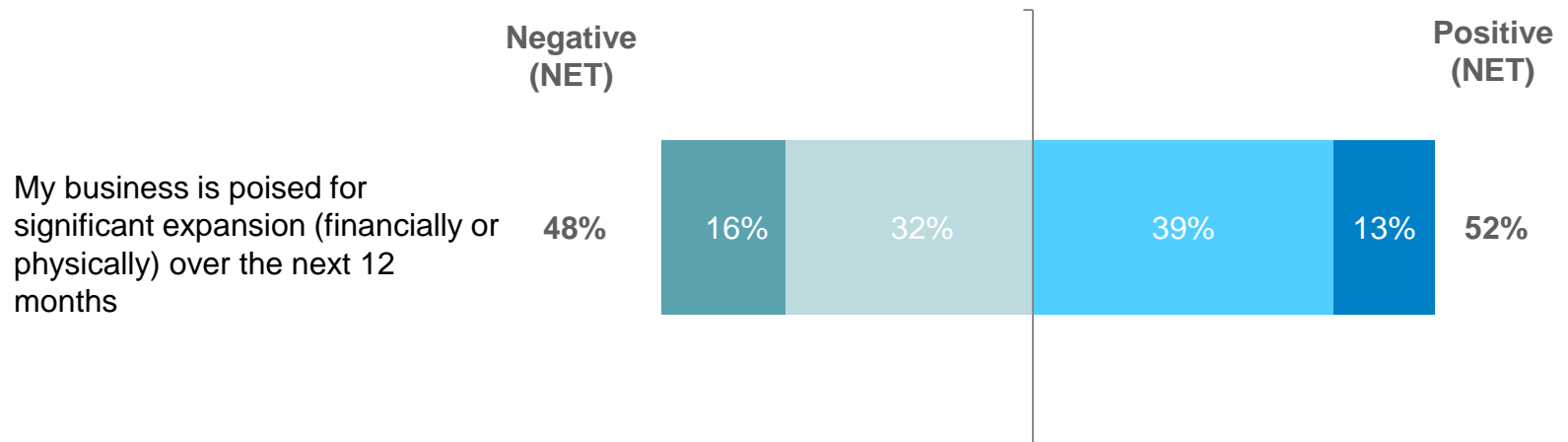
Q13 How would you describe your outlook on *the economy* over the next 12 months?

Q14 How would you describe your outlook on *your business* over the next 12 months?

↑ ↓ Indicates significant change from previous wave at the 95% C.I.

About half expect significant expansion over the next year

■ Very Negative ■ Somewhat Negative ■ Somewhat Positive ■ Very Positive

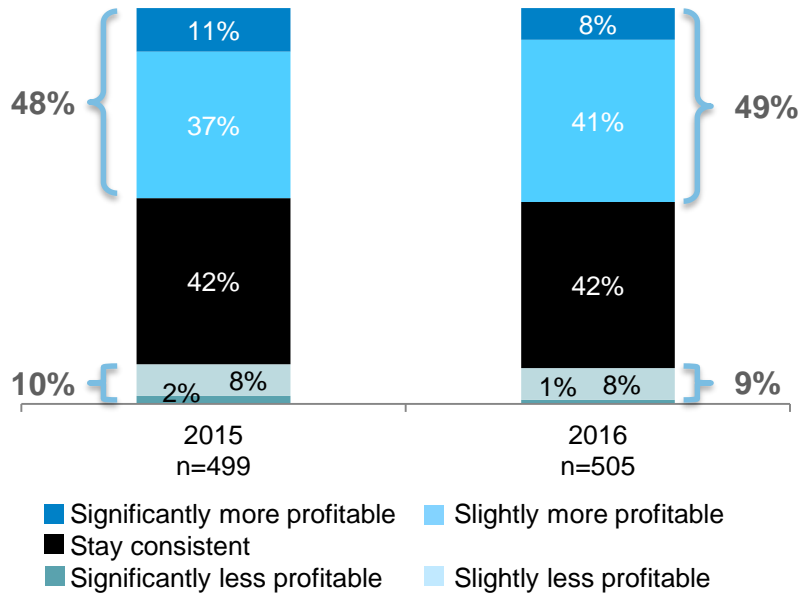


BASE: ALL NATIONAL RESPONDENTS (n=505)

MQ8 To what degree do you agree with the following statements?

Most SBOs expect profitability to increase or stay the same in the next 12 months

Expected change in profitability in the next 12 months



Expected change in profitability in % in the next 12 months

Percent Increase	Positive Profits		Percent Decrease	Negative Profits	
	2015	2016		2015	2016
n	236	247	n	53*	46*
1-5	18%	21%	-1 - -5	24%	30%
6-10	25%	28%	-6 - -10	28%	30%
11-15	13%	13%	-11 - -15	10%	20%
16-20	9%	14%	-16 - -20	10%	8%
21+	36%	24%↓	-21+	28%	12%
MEAN	27.5	19.8↓	MEAN	-17.6	-12.2↑
MEDIAN	15	12	MEDIAN	-10	-10

*small base size less than 100, do not use for public release

BASE: ALL NATIONAL RESPONDENTS 2016 (n=505), 2015 (n=499)

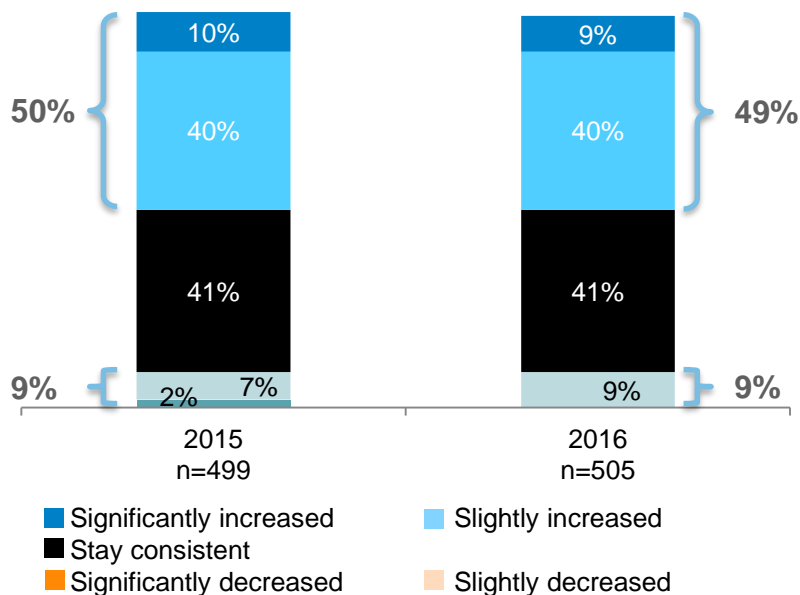
Q2B In the next 12 months do you expect profitability to?

Q2C You mentioned that you expect your company's profitability to [INSERT 'decrease' if Q2B/1-2; INSERT 'increase' if Q2B/4-5]. If you had to say now, please enter the percentage you think profitability might [INSERT 'decrease' if Q2B/1-2; INSERT 'increase' if Q2B/4-5] in the box below.

↑↓ Indicates significant change from previous wave at the 95% C.I.

Similarly, most SBOs expect revenue to increase or stay the same over next 12 months

Expected change in revenue in the next 12 months



Expected change in revenue in % in the next 12 months

	Positive Profits			Negative Profits	
	2015	2016		2015	2016
n	248	253	n	49*	44*
1-5	16%	21%	-1 - -5	17%	30%
6-10	31%	27%	-6 - -10	33%	42%
11-15	12%	13%	-11 - -15	10%	10%
16-20	11%	14%	-16 - -20	10%	6%
21+	30%	25%	-21+	31%	12%↓
MEAN	25.9	20.5	MEAN	-18.4	-13.1
MEDIAN	12	12	MEDIAN	-15	-10

*small base size less than 100, do not use for public release

BASE: ALL NATIONAL RESPONDENTS 2016 (n=505), 2015 (n=499)

Q5B In the next 12 months do you expect revenues to:

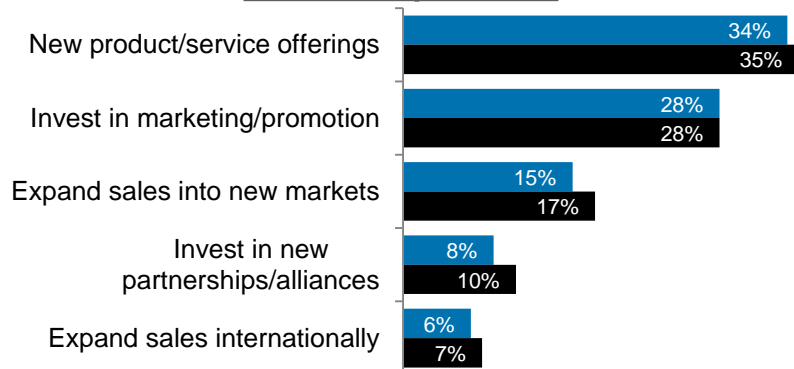
Q5C You mentioned that you expect your company's revenues to [INSERT 'decrease' if Q5B/1-2; INSERT 'increase' if Q5B/4-5]. If you had to say now, please enter the percentage you think revenues might [INSERT 'decrease' if Q5B/1-2; INSERT 'increase' if Q5B/4-5] in the box below.

↑↓ Indicates significant change from previous wave at the 95% C.I.

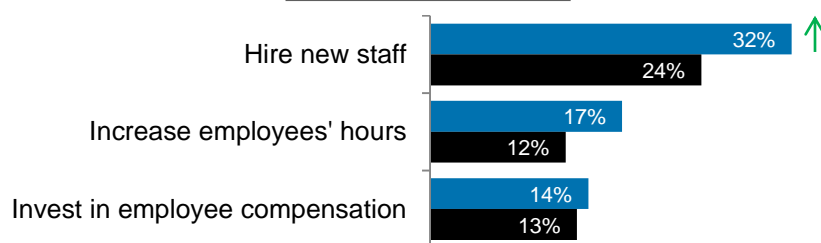
Investments in past 12 months show significant increases in hiring and renovation

Business investments in past 12 months

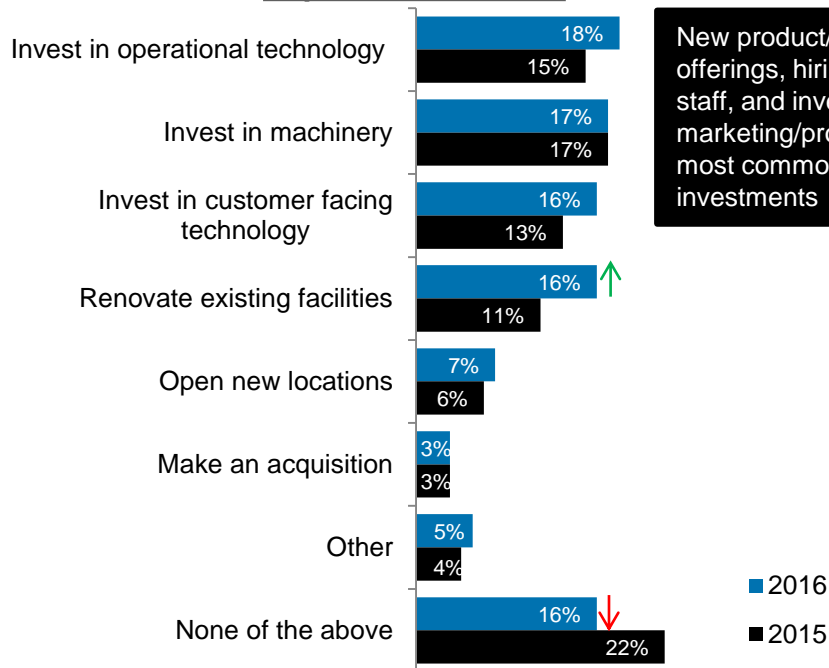
Business operations



Labor investments



Capital investments



New product/service offerings, hiring new staff, and investing in marketing/promotion 3 most common investments

BASE: ALL NATIONAL RESPONDENTS 2016 (n=505), 2015 (n=499)

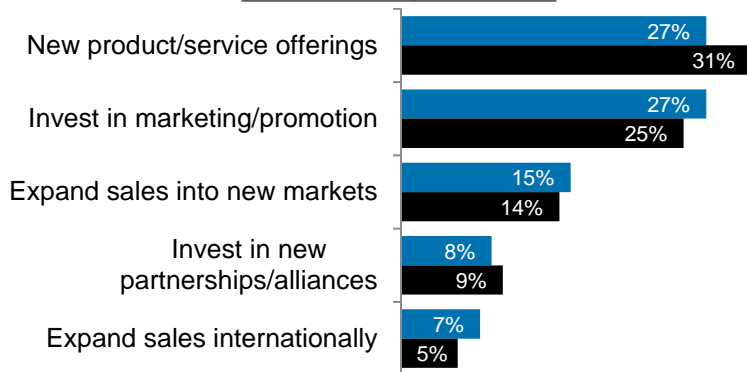
Q1. In the past 12 months did you make any investments in your business through the following? Please select all that apply.

↑ ↓ Indicates significant change from previous wave at the 95% C.I.

Significant increases in investments in new staff or increased employee hours expected over next year

Business investments in next 12 months

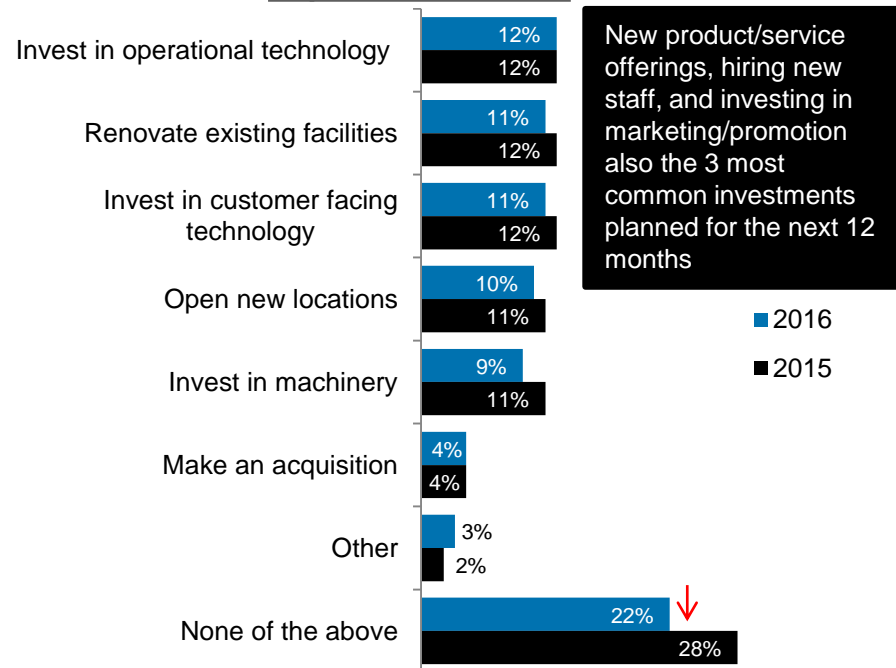
Business operations



Labor investments



Capital investments



New product/service offerings, hiring new staff, and investing in marketing/promotion also the 3 most common investments planned for the next 12 months

■ 2016
■ 2015

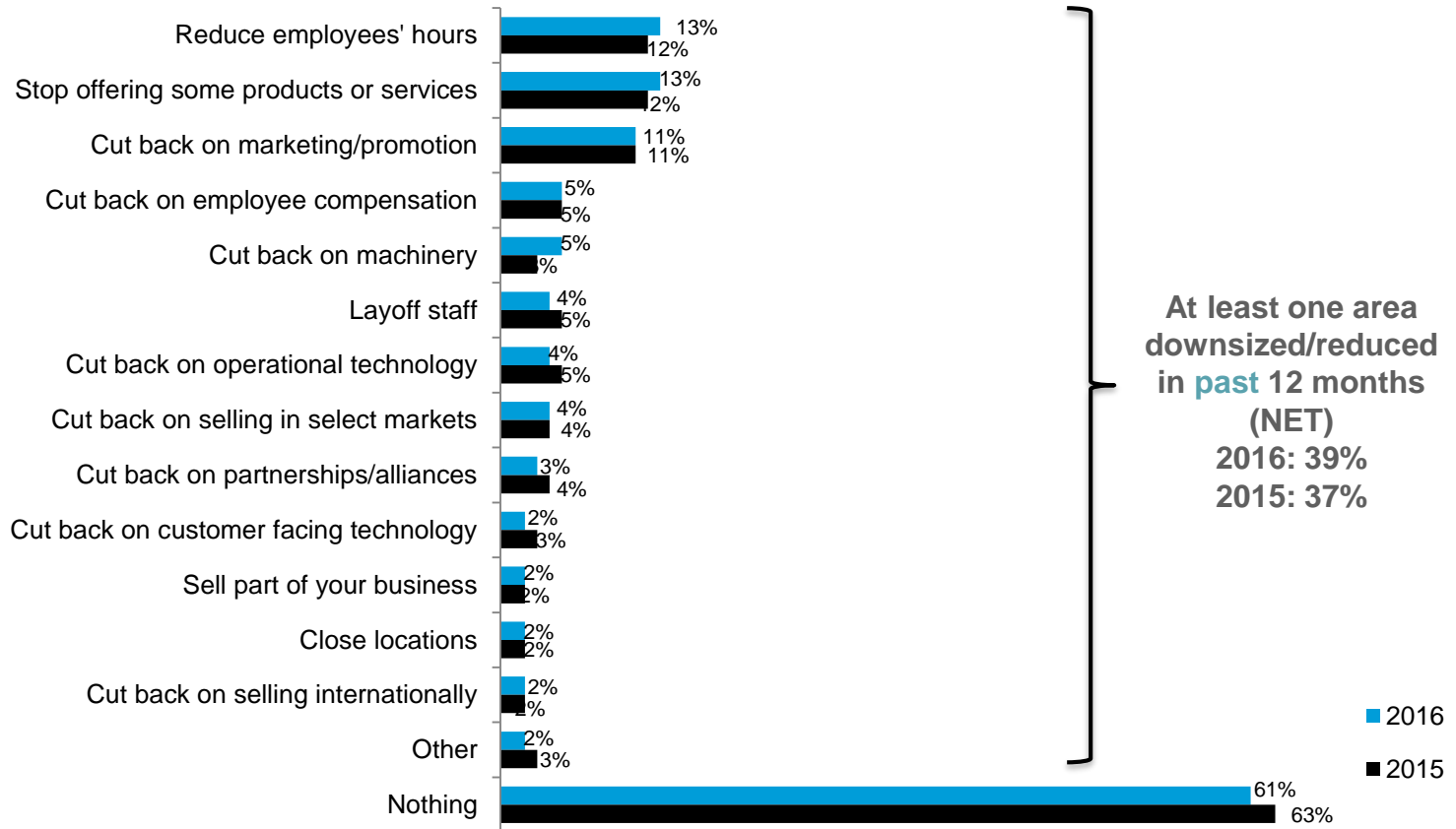
BASE: ALL NATIONAL RESPONDENTS 2016(n=505), 2015(n=499)

Q4 In the next 12 months are you looking to make any investments in your business through the following? Please select all that apply.

↑ ↓ Indicates significant change from previous wave at the 95% C.I.

Employee hours, products/services, and promotion are the three most common areas downsized

Areas downsized/reduced in the past 12 months

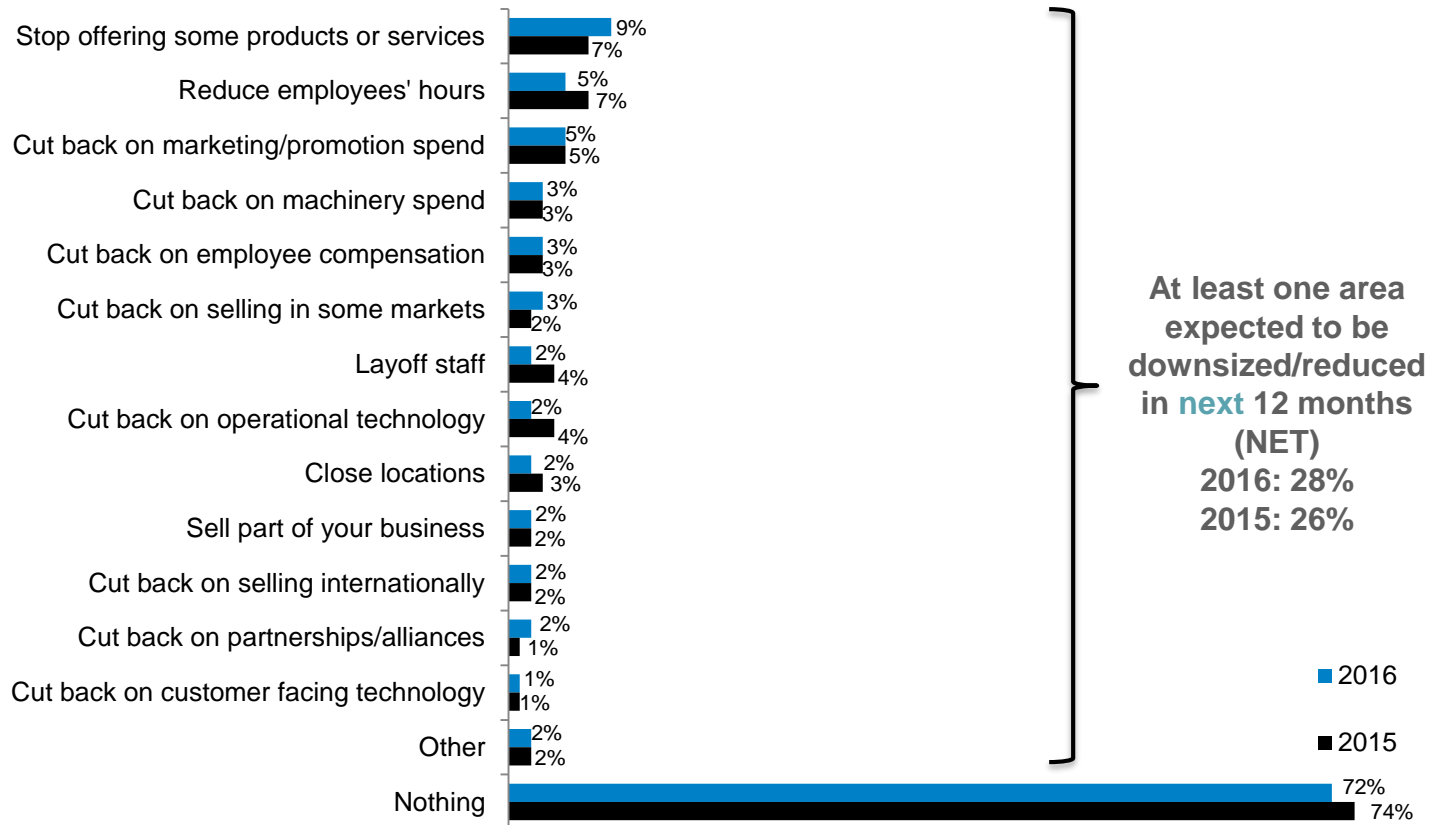


BASE: ALL NATIONAL RESPONDENTS 2016 (n=505), 2015 (n=499)

Q1A In the past 12 months did you downsize/refocus your business through the following? Please select all that apply.

About three in ten expect to downsize/reduce in the next 12 months

Areas to downsize/reduce in the next 12 months

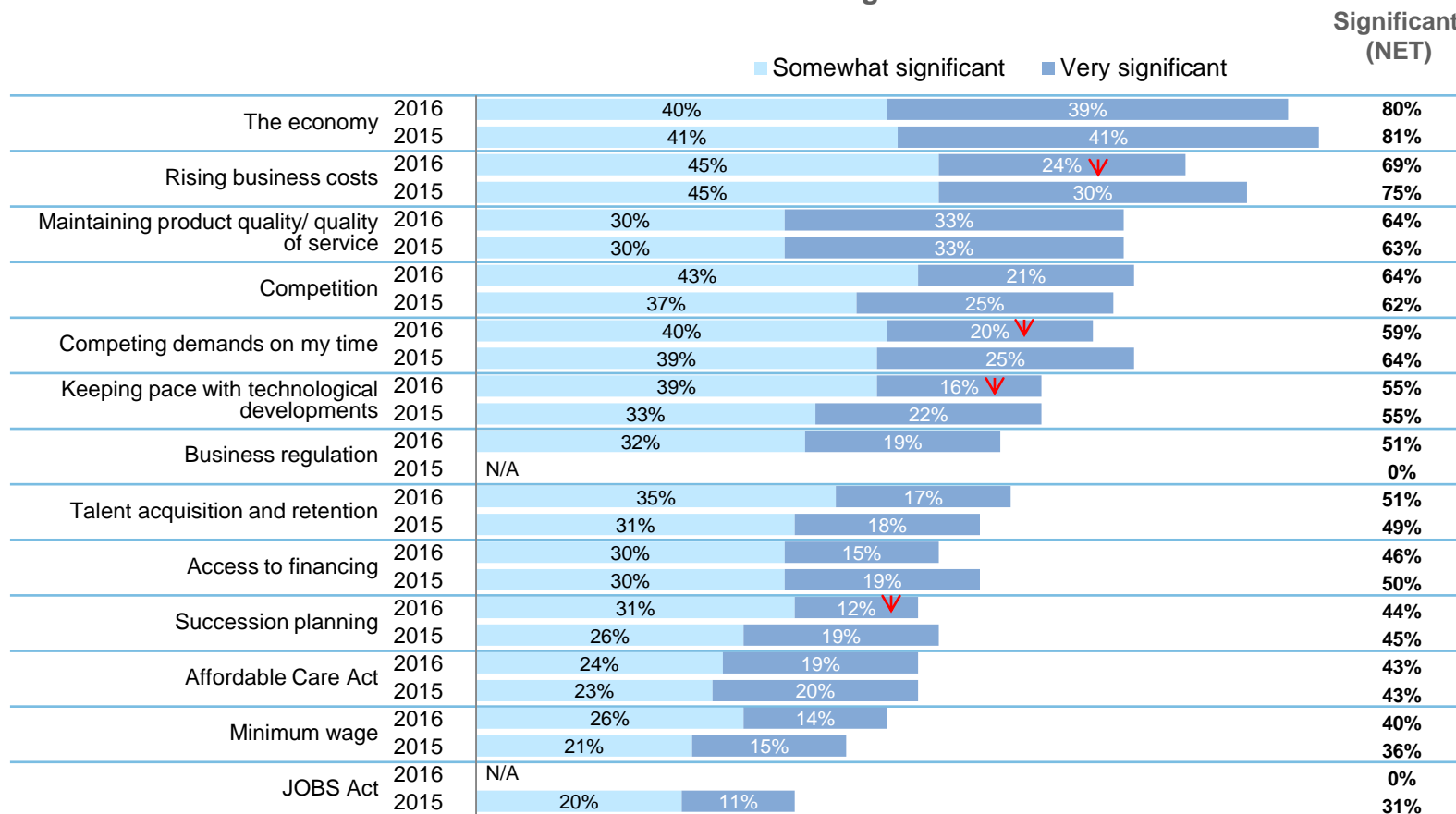


BASE: ALL NATIONAL RESPONDENTS 2016 (n=505), 2015 (n=499)

Q4A In the next 12 months are you looking to downsize/refocus your business through the following? Please select all that apply.

The economy remains top barrier to growth for SBOs

Barriers to growth



BASE: ALL QUALIFIED RESPONDENTS 2016(n=505), 2015(n=499)

Q11 Using the scale below, please rate how significant of a barrier to growth each of the items for your company.

↑ ↓ Indicates significant change from previous wave at the 95% C.I.

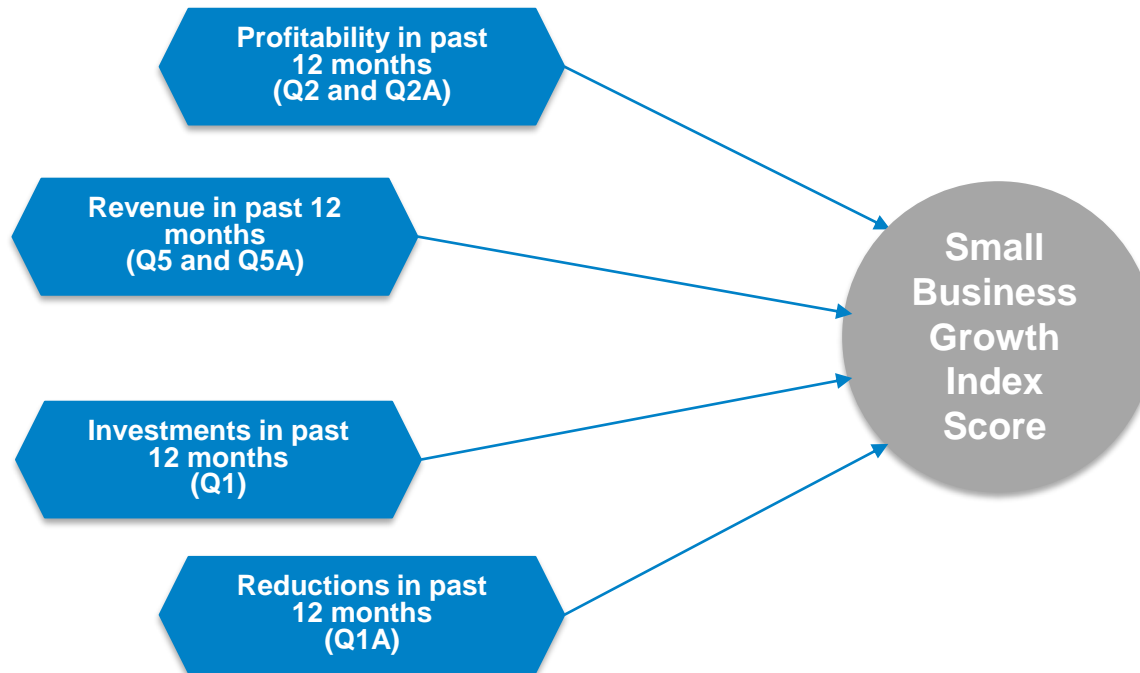
Small Business Growth Index

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Small Business Growth Index

- The Small Business Growth Index was created to measure indicators of small business expansion.
- The Growth Index scores were created using four key areas of growth over the last 12 months: profitability, revenue, investments and reductions.
- Small business owners were given a score for each metric based on their response. The scores were then rescaled to a value of 0-100 and averaged across the four individual metrics to create an overall score of 0-100.
- Using this calculation, 50 represents stability with a score under 50 signaling loss and above 50 indicating growth.



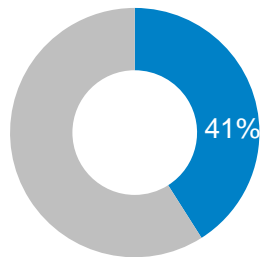
More than one-third of SBOs report increases in profitability and revenue over past 12 months

Percent experiencing increase over the past 12 months

Profitability

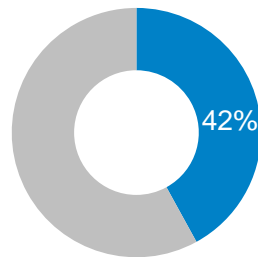
Revenue

2015



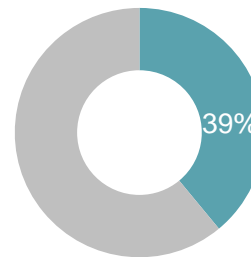
Mean: 25.9
Median: 15

2016



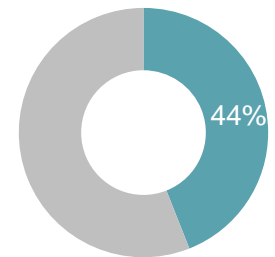
Mean: 19.4
Median: 15

2015



Mean: 24.4
Median: 13

2016



Mean: 19.1
Median: 15

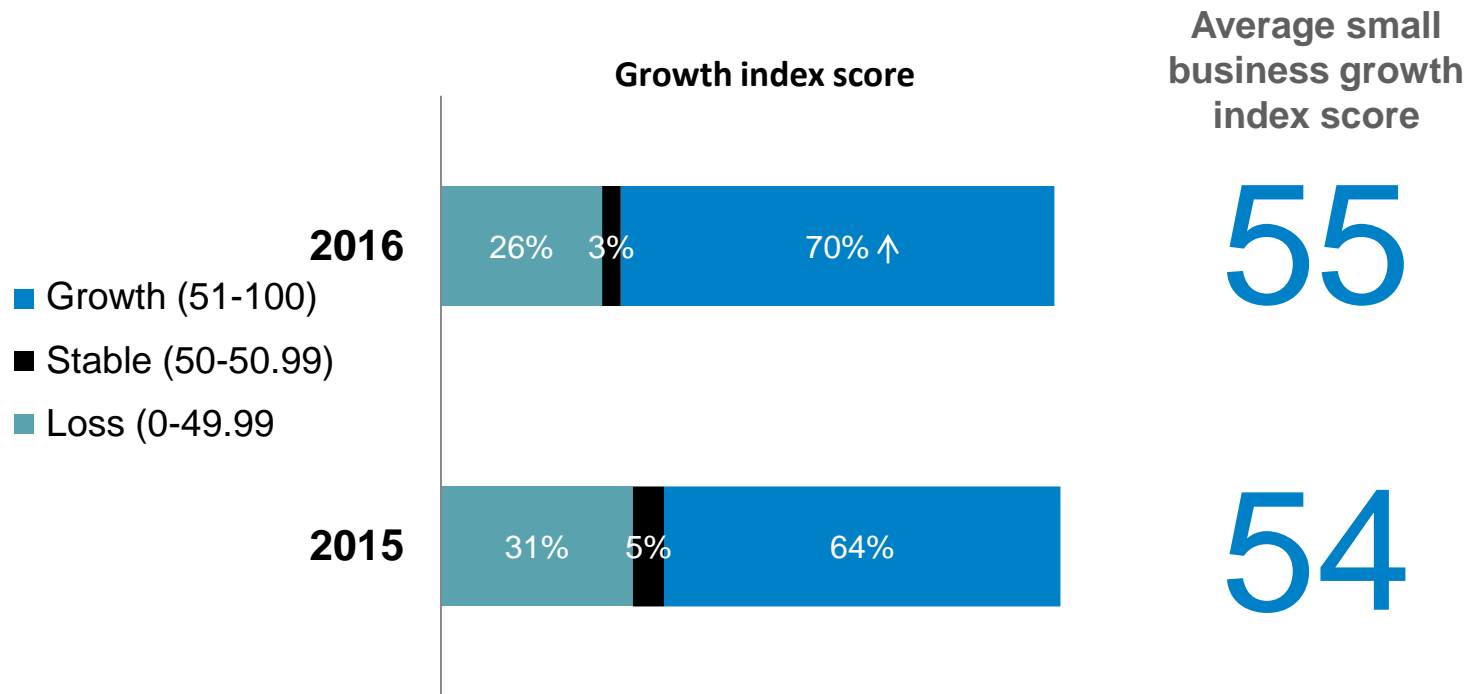
BASE: ALL NATIONAL RESPONDENTS 2016 (n=505), 2015 (n=499)

Q2/Q5 How has your company's profitability/revenue changed compared to this time last year?

Q2A/Q5A You mentioned your company's profitability/revenue decreased/increased. Please enter the percentage decrease/increase in the box below.

Proportion of “Growth” SBOs on the rise

While the average growth index score remained relatively stable year-over-year, seven in ten businesses are in the Growth segment this year, compared to about two-thirds (64%) in 2015.



BASE: ALL NATIONAL RESPONDENTS 2016 (n=505), 2015 (n=499)
Calculated

↑ ↓ Indicates significant increase/decrease from previous wave

Subgroup findings: California and gender

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California

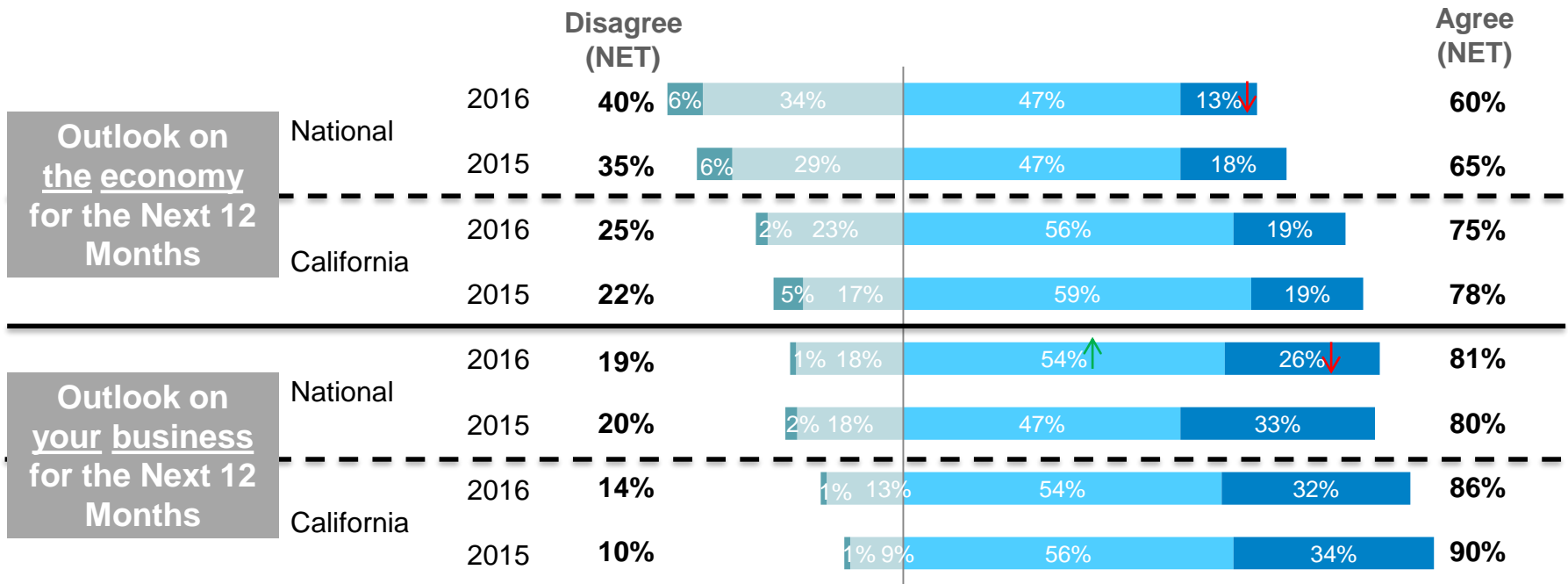
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Californian SBOs have brighter outlook

Small business owners in California are more likely than those across the nation to say they have a positive outlook about their business as well as the economy.

■ Very Negative ■ Somewhat Negative ■ Somewhat Positive ■ Very Positive



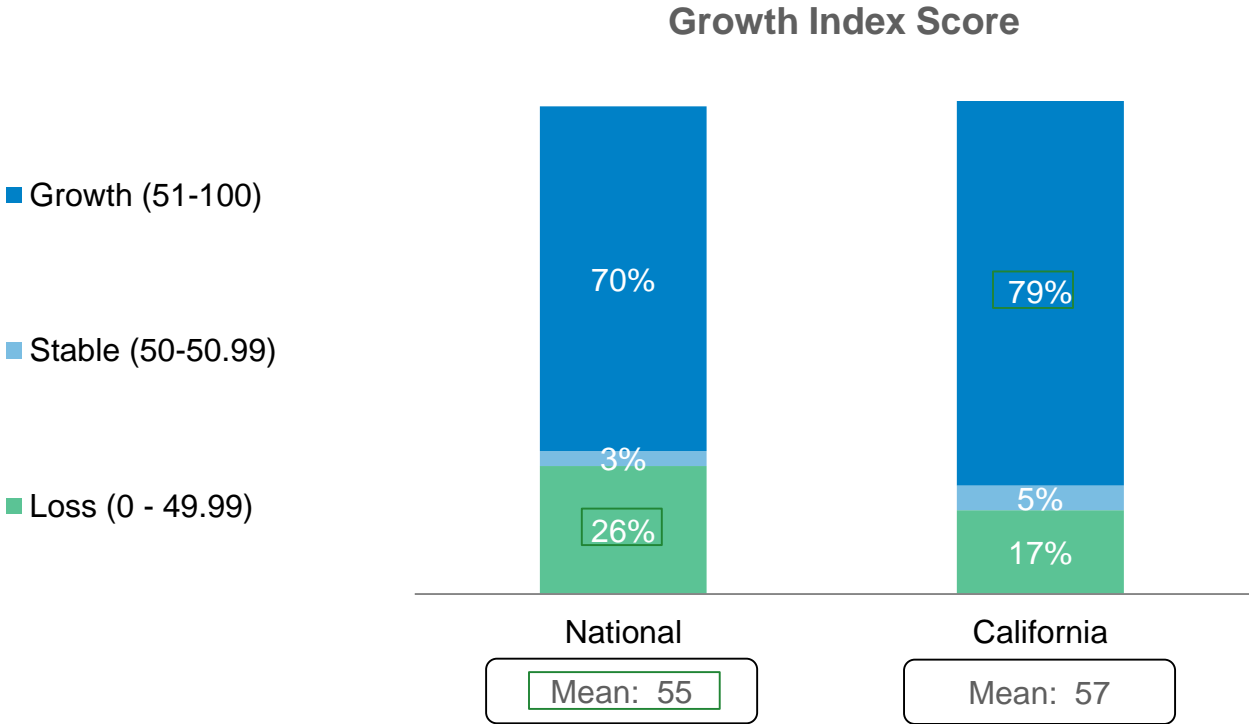
BASE: ALL NATIONAL RESPONDENTS [2015 NATIONAL (n=499), CALIFORNIA (n=218), 2016 NATIONAL (n=505), CALIFORNIA (n=207)]

Q13 How would you describe your outlook on *the economy* over the next 12 months?

Q14 How would you describe your outlook on *your business* over the next 12 months?

↑ ↓ Indicates significant change from previous wave at the 95% C.I.

Significantly Higher Proportion of Californian Businesses Fall into Growth Category



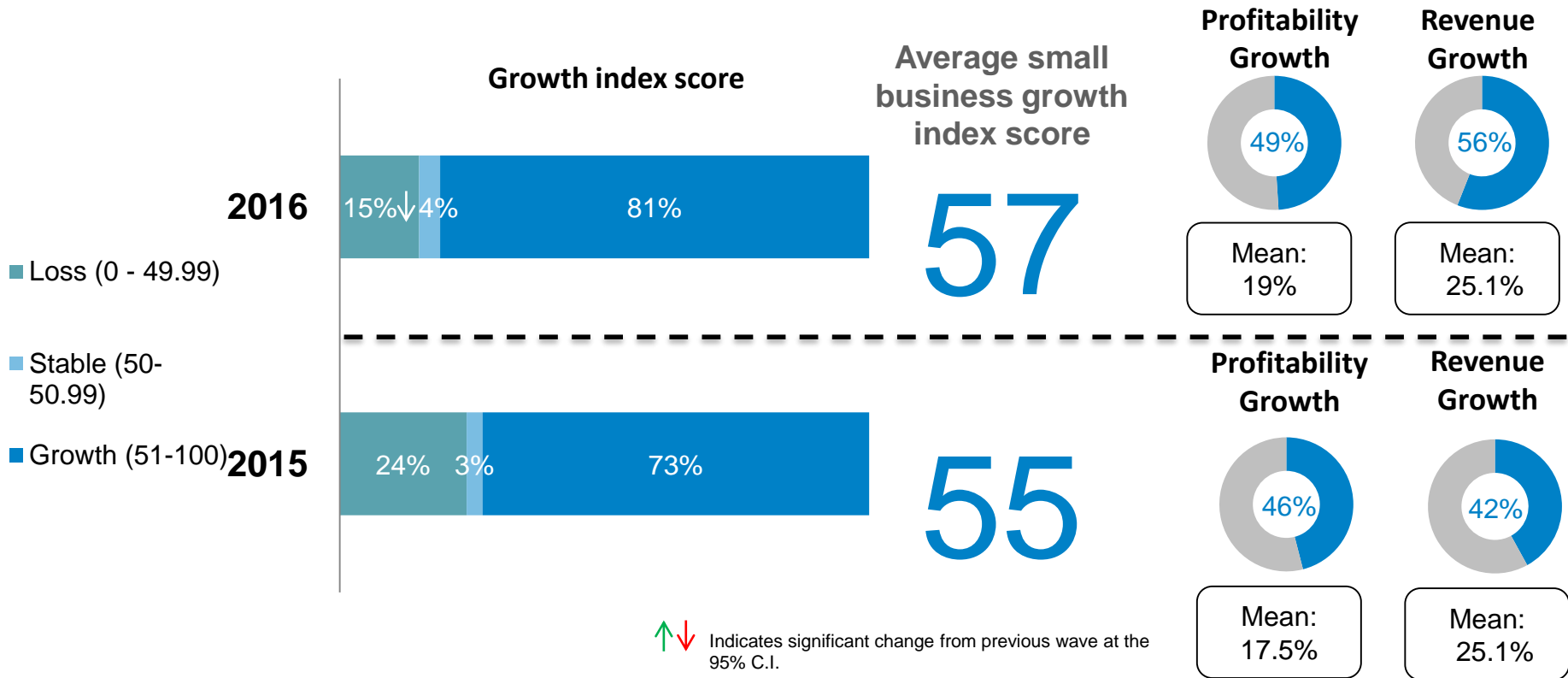
BASE: ALL NATIONAL RESPONDENTS NATIONAL (n=505); CALIFORNIA (n=207)

□ Indicates significantly higher than counterpart group that year

Northern California

Small businesses in Northern California show signs of growth with significantly fewer falling into the “Loss” category of the index for 2016

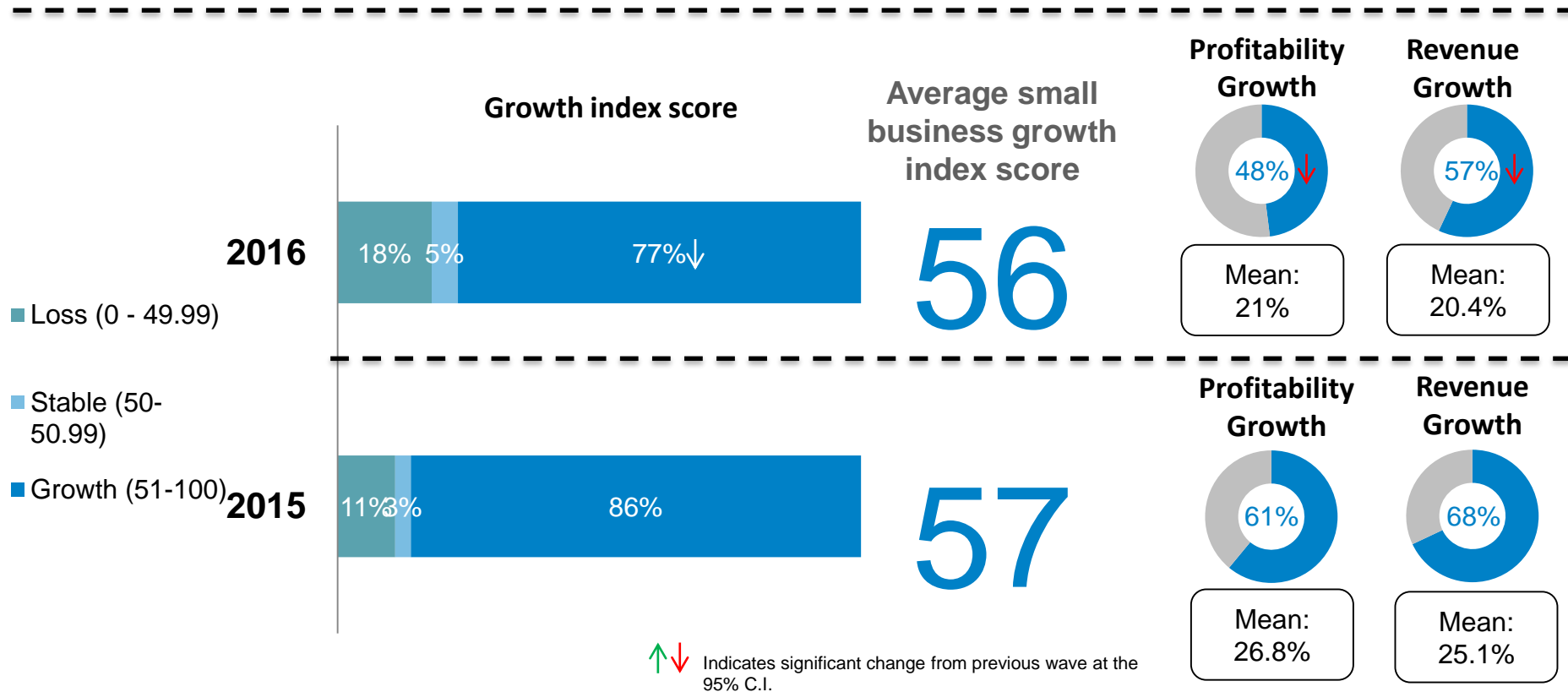
- Overall, more Northern Californian small businesses in report increased profitability and/or revenue in the [past 12 months](#)



Southern California

Small businesses in Southern California show signs of stabilization

- There is a significant drop off from 2015 among Southern Californian SBOs in the “Growth” segment of the index.
- Despite this, the majority of Southern Californian SBOs also report revenue increased in the **past** 12 months
- Almost half reported that profitability increased in the **past** 12 months



Gender

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Female SBOS Take More Holistic View of Life as a SBO

- Female SBOS are more likely to indicate items related to **family and community are the best parts** of being a small business owner.

Best part of being a SBO	Male	Female
<i>I can spend more time with my family</i>	36%	46%
<i>It connects me with my community</i>	27%	38%
<i>I “have it all” (i.e. a rewarding career and family life)</i>	22%	32%

- Female SBOS are also more likely than their male counterparts to indicate that **competing demands on their time is a very/somewhat significant barrier to the growth of their business** (64% vs 55%, respectively).
- When asked to choose advice they would give to a new small business owner, female small business owners are more likely to give the advice **“stay objective, don’t take things personally”** compared to male small business owners (60% vs. 50%).

Female SBOS Have Different Challenges than Males In Their Lives as Business Owners

- Even though they are more likely to agree they put everything into their business, more than **half of female SBOs agree that people are surprised to find out they are a SBO**, significantly more than male SBOs.

% agree	Male	Female
<i>I put everything I have into my business</i>	77%	87%
<i>People are surprised that I am a small business owner</i>	44%	56%

- **Female SBOs** are more likely than male SBOs to indicate **helpful financial partners are an essential ingredient for the success of their small business** (26% vs 15%, respectively). In contrast, **male SBOs** are more likely than female small business owners to indicate **self-confidence** is an essential ingredient to the success of their business (69% vs 60%, respectively).

Demographics

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Demographics: National/California

Age	National		California	
	2015	2016	2015	2016
n=	499	505	218	207
18-24	1%	1%	3%	1%
25-34	15%	11%	17%	17%
35-49	29%	33%	41%	37%
50-64	38%	40%	31%	37%
65+ and over	16%	15%	9%	8%
MEAN	50.0	50.3	46.3	46.9
MEDIAN	52	51	45	47

Ethnicity	National		California	
	2015	2016	2015	2016
n=	499	505	218	207
White	76%	75%	60%	59%
Hispanic	12%	9%	25%	17%
Black/African American	5%	8%	2%	6%
Asian or Pacific Islander	3%	3%	10%	11%
Native American or Alaskan Native	*	1%	1%	*
Mixed Race	*	2%	1%	1%
Some other race	2%	1%	1%	3%
Decline to answer	1%	2%	0%	3%

Urbanicity	National		California	
	2015	2016	2015	2016
n=	499	505	218	207
In an urban or city area	26%	28%	36%	43%
In a suburban area next to a city	47%	44%	49%	47%
In a small town or rural area	27%	29%	14%	10%

Education	National		California	
	2015	2016	2015	2016
n=	499	505	218	207
HIGH SCHOOL OR LESS (NET)	14%	13%	8%	6%
Completed some high school	2%	1%	2%	0%
Completed high school	12%	12%	6%	5%
ATTENDED COLLEGE OR COLLEGE DEGREE (NET)	62%	60%	65%	69%
Some college, but no degree	26%	24%	18%	20%
Associate Degree	11%	13%	8%	10%
College (such as B.A., B.S.)	25%	23%	40%	39%
ATTENDED GRADUATE SCHOOL OR GRADUATE DEGREE (NET)	19%	21%	23%	22%
Some graduate school, but no degree	4%	5%	6%	4%
Graduate degree (such as MBA, MS, M.D., Ph.D.)	15%	16%	17%	18%
Job-specific training program(s) after high school	5%	6%	3%	4%

Demographics: National/California

Employment Status	National		California	
	2015	2016	2015	2016
n=	499	505	218	207
Employed full time	31%	28%	51%	41%
Employed part time	4%	2%	3%	2%
Self-employed	65%	70%	46%	57%

Annual Company Revenue	National		California	
	2015	2016	2015	2016
n=	499	505	218	207
Less than \$200,000	79%	66%	25%	31%
\$200,000 to \$499,999	13%	17%	16%	17%
\$500,000 to \$999,999	5%	8%	19%	21%
\$1 million to \$2.49 million	2%	5%	23%	17%
\$2.5 million to \$4.99 million	1%	3%	10%	7%

Number of Non-owner Employees	National		California	
	2015	2016	2015	2016
n=	499	505	218	207
2 - 3	47%	49%	28%	32%
4 - 5	22%	16%	17%	15%
6 - 7	5%	5%	5%	8%
8 - 9	5%	7%	5%	8%
10 or more	20%	23%	46%	38%
MEAN	21.1	20.0	58	40.0
MEDIAN	4	4	8	7

Household Income	National		California	
	2015	2016	2015	2016
n=	499	505	218	207
Less than \$15,000	3%	3%	1%	2%
\$15,000 to \$24,999	7%	3%	2%	*
\$25,000 to \$34,999	8%	6%	5%	5%
\$35,000 to \$49,999	15%	13%	8%	6%
\$50,000 to \$74,999	22%	23%	13%	17%
\$75,000 to \$99,999	15%	14%	21%	21%
\$100,000 to \$124,999	9%	13%	15%	14%
\$125,000 to \$149,999	8%	9%	8%	11%
\$150,000 to \$199,999	7%	5%	10%	12%
\$200,000 to \$249,999	2%	2%	6%	5%
\$250,000 or more	1%	4%	9%	5%
Decline to answer	3%	4%	1%	1%

Demographics: National/California

Years in Business	National		California	
	2015	2016	2015	2016
n=	499	505	218	207
0 - 10	47%	38%	42%	40%
11 - 14	7%	11%	8%	16%
15 - 30	33%	39%	39%	33%
31 - 40	9%	7%	7%	6%
41 - 50	3%	2%	2%	3%
More than 50	2%	2%	2%	2%
MEAN	17	17.6	17.2	16.4
MEDIAN	12	15	15	12

Years in Ownership Role	National		California	
	2015	2016	2015	2016
n=	499	505	218	207
0 - 10	48%	43%	48%	46%
11 - 14	7%	12%	9%	17%
15 - 30	35%	38%	36%	33%
31 - 40	7%	6%	5%	4%
41 - 50	2%	1%	1%	*
More than 50	-	*	*	-
MEAN	15.1	15.2	14.3	13.5
MEDIAN	12	12	12	11

Industry	National		California	
	2015	2016	2015	2016
n=	499	505	218	207
Professional Services	12%	11%	12%	12%
Construction-Homes	8%	11%	10%	3%
Business Services	7%	8%	11%	14%
Consumer Services	8%	7%	9%	4%
Retail-Home & Fashion	7%	5%	4%	9%
Hospitality Services & Event Planning	4%	5%	1%	3%
Agriculture/Farming	4%	4%	3%	1%
Real-Estate Related	2%	3%	5%	7%
Retail-Everyday Items & Services	3%	3%	4%	6%
Manufacturing	6%	3%	5%	3%
Investment Managers, Brokerages, and Insurers	1%	3%	2%	3%
Home Maintenance Services	3%	3%	2%	2%
Transportation	2%	3%	2%	2%
Wholesalers	2%	2%	2%	5%
Construction-Other	3%	2%	2%	4%
Retail-Automotive Related	1%	2%	2%	4%
Media & Communications	1%	2%	3%	3%
Medical-Oriented	2%	2%	2%	3%
Food and Kindred Products	1%	2%	2%	2%
Textiles & Apparels	1%	1%	1%	2%
Government Bodies and Agencies	*	1%	*	1%
Education/Learning	5%	1%	2%	*
Other Organizations	*	1%	1%	-
Recreation	2%	1%	1%	*
Other	16%	13%	8%	9%

Note: Only industries with $\geq 1\%$ for National are shown.

Demographics: Northern/Southern California

Age	Northern California		Southern California	
	2015	2016	2015	2016
n=	114	102	104	105
18-24	3%	-	4%	1%
25-34	5%	16%	30%	18%
35-49	44%	38%	35%	37%
50-64	37%	41%	22%	34%
65+ and over	12%	7%	6%	9%
MEAN	49.1	46.3	43.1	47.5
MEDIAN	48	47	43	48

Ethnicity	Northern California		Southern California	
	2015	2016	2015	2016
n=	114	102	104	105
White	63%	67%	58%	51%
Hispanic	22%	11%	30%	22%
Black/African American	-	3%	4%	9%
Asian or Pacific Islander	12%	10%	7%	13%
Native American or Alaskan Native	1%	1%	1%	-
Mixed Race	2%	3%	-	-
Some other race	2%	2%	-	4%
Decline to answer	-	5%	-	-

Urbanicity	Northern California		Southern California	
	2015	2016	2015	2016
n=	114	102	104	105
In an urban or city area	28%	29%	47%	58%
In a suburban area next to a city	52%	52%	47%	42%
In a small town or rural area	20%	18%	7%	1%

Education	Northern California		Southern California	
	2015	2016	2015	2016
n=	114	102	104	105
HIGH SCHOOL OR LESS (NET)	7%	6%	9%	5%
Less than high school	-	1%	-	-
Completed some high school	2%	-	2%	0%
Completed high school	5%	5%	8%	5%
ATTENDED COLLEGE OR COLLEGE DEGREE (NET)	61%	69%	71%	69%
Some college, but no degree	19%	22%	17%	18%
Associate Degree	5%	11%	12%	9%
College (such as B.A., B.S.)	37%	36%	42%	42%
ATTENDED GRADUATE SCHOOL OR GRADUATE DEGREE (NET)	28%	20%	18%	24%
Some graduate school, but no degree	8%	3%	4%	4%
Graduate degree (such as MBA, MS, M.D., Ph.D.)	20%	16%	14%	20%
Job-specific training program(s) after high school	5%	5%	2%	2%

Demographics: Northern/Southern California

Employment Status	Northern California		Southern California	
	2015	2016	2015	2016
n=	114	102	104	105
Employed full time	46%	46%	58%	36%
Employed part time	4%	1%	2%	4%
Self-employed	51%	54%	40%	60%
Annual Company Revenue	Northern California		Southern California	
	2015	2016	2015	2016
n=	114	102	104	105
Less than \$200,000	24%	22%	27%	40%
\$200,000 to \$499,999	18%	21%	15%	12%
\$500,000 to \$999,999	20%	24%	18%	18%
\$1 million to \$2.49 million	27%	20%	18%	14%
\$2.5 million to \$4.99 million	8%	5%	13%	9%
\$5 million to \$9.99 million	4%	7%	9%	8%
Number of Non-owner Employees	Northern California		Southern California	
	2015	2016	2015	2016
n=	114	102	104	105
2 - 3	36%	36%	19%	27%
4 - 5	15%	11%	19%	18%
6 - 7	9%	8%	2%	7%
8 - 9	7%	7%	2%	9%
10 or more	34%	37%	59%	39%
MEAN	47.4	32.2	70.4	47.7
MEDIAN	5	6	12	7

Household Income	Northern California		Southern California	
	2015	2016	2015	2016
n=	114	102	104	105
Less than \$15,000	1%	2%	2%	3%
\$15,000 to \$24,999	1%	1%	4%	-
\$25,000 to \$34,999	6%	1%	4%	9%
\$35,000 to \$49,999	8%	7%	8%	4%
\$50,000 to \$74,999	9%	18%	18%	16%
\$75,000 to \$99,999	18%	22%	24%	19%
\$100,000 to \$124,999	13%	18%	17%	11%
\$125,000 to \$149,999	9%	9%	7%	12%
\$150,000 to \$199,999	14%	7%	6%	18%
\$200,000 to \$249,999	11%	7%	-	4%
\$250,000 or more	11%	9%	7%	2%
Decline to answer	1%	1%	2%	1%

Demographics: Northern/Southern California

Years in Business	Northern California		Southern California	
	2015	2016	2015	2016
n=	114	102	104	105
0 - 10	32%	40%	53%	40%
11 - 14	10%	14%	6%	17%
15 - 30	43%	33%	34%	34%
31 - 40	10%	8%	3%	5%
41 - 50	2%	3%	2%	2%
More than 50	2%	2%	2%	2%
MEAN	19.1	16.8	14.8	15.9
MEDIAN	16	12	10	12
Years in Ownership Role	Northern California		Southern California	
	2015	2016	2015	2016
n=	114	102	104	105
0 - 10	40%	47%	57%	45%
11 - 20	12%	18%	7%	16%
21 - 30	39%	31%	33%	34%
31 - 40	8%	3%	2%	5%
41 - 50	1%	1%	1%	-
More than 50	1%	-	-	-
MEAN	15.7	13.4	12.7	13.6
MEDIAN	14	11	10	11

Industry	Northern California		Southern California	
	2015	2016	2015	2016
n=	114	102	104	105
Professional Services	11%	9%	14%	14%
Construction-Homes	12%	6%	8%	-
Business Services	13%	17%	8%	11%
Consumer Services	8%	4%	10%	3%
Retail-Home & Fashion	1%	8%	9%	9%
Hospitality Services & Event Planning	2%	4%	-	2%
Agriculture/Farming	6%	1%	-	1%
Real-Estate Related	7%	7%	3%	6%
Retail-Everyday Items & Services	5%	8%	3%	3%
Manufacturing	3%	2%	8%	4%
Investment Managers, Brokerages, and Insurers	4%	1%	1%	5%
Home Maintenance Services	2%	2%	1%	2%
Transportation	2%	2%	2%	2%
Wholesalers	1%	5%	3%	5%
Construction-Other	2%	3%	3%	6%
Retail-Automotive Related	2%	4%	2%	3%
Media & Communications	2%	1%	4%	5%
Medical-Oriented	-	4%	5%	2%
Food and Kindred Products	1%	3%	3%	1%
Textiles & Apparels	1%	1%	1%	4%
Government Bodies and Agencies	1%	3%	-	-
Education/Learning	1%	-	3%	1%
Other Organizations	1%	-	1%	-
Recreation	2%	-	-	1%
Other	10%	7%	5%	11%

Note: Only industries with $\geq 1\%$ for National are shown.

THANK YOU

Bank of the West

180 Montgomery Street

San Francisco, California 94104

Tel: 415-399-7202, Corporate
Communications

bankofthewest.com