



State of

Commercial Real Estate & Construction

in the Pacific Northwest

OCTOBER 2019

Schwabe
WILLIAMSON & WYATT
Attorneys at Law

kinesis 

Ideas Fuel Industries



A Note from the Team

Pacific Northwest skylines have been transformed by the visionaries that operate in our region's commercial real estate (CRE) and construction industry. These companies leave a lasting mark on our cities, highways, bridges, and more. While the industry has seen considerable growth over the past few years, especially with regard to the activity in and around Portland and Seattle, industry veterans know from experience that it is crucial to stay on top of your business, preparing for resilience and even vitality during periods of economic change.

Schwabe, Williamson & Wyatt commissioned a survey with *The Business Journals* to provide insights into industry trends and growth opportunities. Over 700 industry executives responded with the challenges that keep them up at night, and their ideas for a more prosperous tomorrow. Together with Kinesis, we are delighted to share the results of the survey with our clients and business leaders throughout the industry.

Thank you to all of the participants who took the time to share their perspectives so that peers and others might benefit from their collective knowledge. We hope you find the responses as valuable as we do. It is an honor to serve and be a part of the CRE and construction community in our region.



Stephanie Holmberg, Shareholder
Schwabe, Williamson & Wyatt PC



Shawn Busse, Founder / CEO
Kinesis

Executive Summary

Overview of Survey

From June to July 2019, *The Business Journals* surveyed leaders across the CRE and construction industry in Washington and Oregon to explore attitudes and behaviors and to uncover industry trends and insights. Over 700 participants responded to the survey, evenly spread across the two geographical markets.

Survey participants represent a wide variety of organizations, measured by revenue and number of employees:

<\$1M to >\$100M annual revenue range for companies where respondents work



>1/2 hold leadership roles

25% of businesses are women or minority owned

2/3 are from organizations with <100 employees

>90% are 40+ years of age

Key Insights

Overall, participating businesses express a strong degree of confidence in the local economy, their industry, and individual companies. These trends are reflected across the CRE and construction industry, in both the Washington and Oregon markets. **The most pressing challenges and opportunities for innovation that leaders identified fall into three categories: growth opportunities, business resilience, and workforce innovation.**



Takeaway #1: Grow Your Business

There are many regulatory and legislative factors impacting your business — take the time to learn what matters amid a changing landscape, which levers can benefit you, and how to catalyze growth opportunities. Consider exploring and adopting new technology to amplify your business and set the bar for innovation across your industry.



Takeaway #2: Build Resilience

To protect your business against an uncertain future, adopt a holistic approach. Evaluate your company inside and out to uncover opportunities for greater efficiency, prioritize your people, and make strategic investments in areas such as marketing and client relationships to fuel your growth and diversification goals.



Takeaway #3: Keep Your People

Consider innovative approaches to sharing your company story through brand, culture, and values. By taking a broader look at what talent means to your organization, you can grow your pipeline in new ways, diversifying your team and enhancing your capability for training and development.

In a time of great prosperity, it is even more important to stay closely connected to the pulse of your business. This report serves as a guide to you — to accomplish this through thoughtful exploration, drawing from best practice recommendations to elevate the state of business across the CRE and construction industry in the Pacific Northwest.

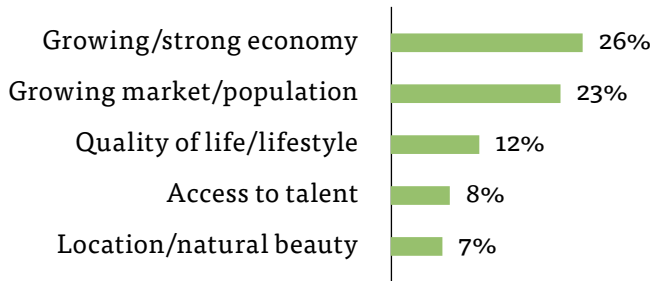
TAKEAWAY #1

Grow Your Business

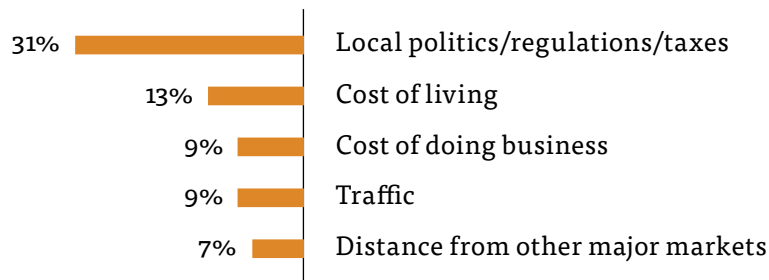


Leaders across CRE and construction report that while doing business in the Pacific Northwest is advantageous, it is not without its challenges. Respondents praise the strong economy and growing population; however, local regulations and the cost of living are seen as the biggest hindrances.

Top 5 Advantages to Being in the Pacific Northwest



Top 5 Disadvantages to Being in the Pacific Northwest



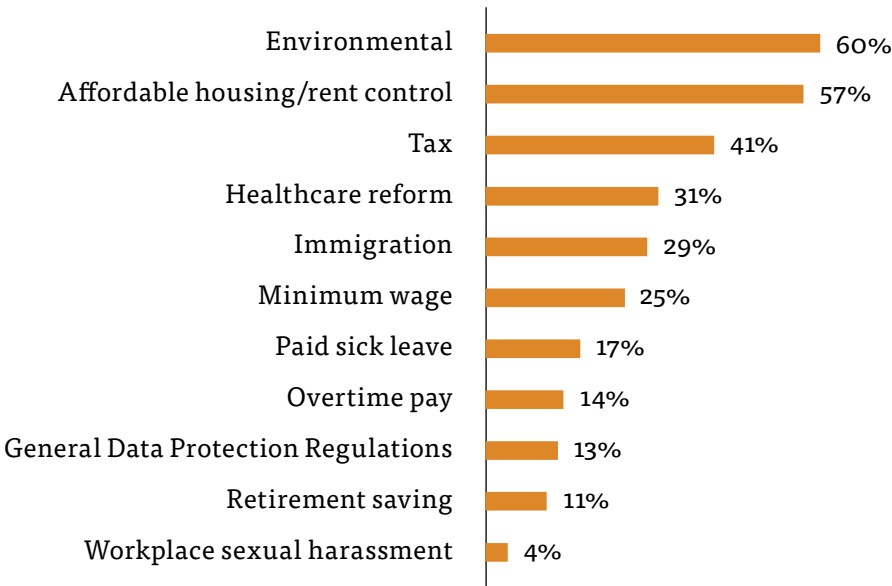
We have a growing population which produces demand. With the continued expansion, there is new outside money investing in our market and it's a desired place to live.

- President, Oregon Construction Company

Regulatory Issues

The top regulatory issues that businesses report facing are with respect to the environment, affordable housing, taxes, and a constellation of workforce policies including healthcare, immigration, minimum wage, and paid time off.

Top Regulatory/Legislative Issues Facing the Industry



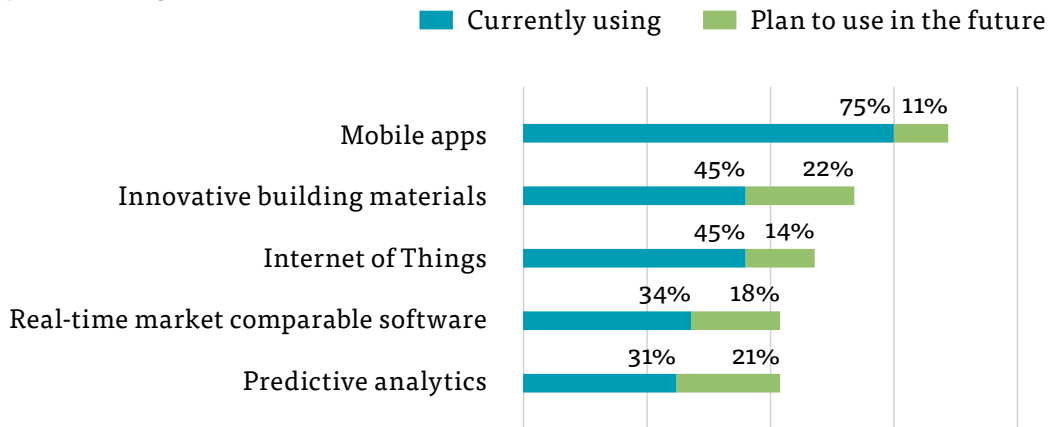
CRE companies are significantly more concerned with affordable housing and minimum wage legislation, while construction is feeling the pressure from healthcare regulations. While Oregon is more concerned with healthcare, and Washington with overtime pay (most likely due to a proposed revision in state law), affordable housing is reported as one of the most significant regulatory challenges in both states.

Technology Innovation

CRE and construction companies are adopting a variety of modern technologies, including software and applications, innovative building materials, analytics, and even drones, to grow their businesses.

While companies are using mobile apps the most on job sites and on-the-go, innovative building materials and Internet of Things (IoT) will continue to be two of the industry's well-used and growing technologies. Where are companies investing in technology? Innovative building materials and predictive analytics see the highest planned increases in usage for the coming year.

Top Technologies Used



We're in an innovative, tech-oriented environment.
Successful businesses can use this to their advantage.

- Vice President, Washington Construction Company

Regional Growth Opportunities

Bellevue, WA and Hillsboro, OR are predicted to be the next major metropolitan areas outside of Seattle and Portland with rich growth opportunities for CRE and construction.

Half of respondents state they will be working on more infrastructure and private-public partnerships in the coming year, in an effort to diversify.



Range of Projects Businesses Plan to Work on in the Next Year



25% of respondents state they will be working on fewer amusement, retail space, and hotel and lodging projects in the coming year.

A Discussion of the Regulatory & Legislative Landscape

The survey respondents' top reported regulatory and legislative challenges include environmental, immigration, and employment-related issues. Understanding key updates across each of these areas can provide business leaders with tools to plan for the future and identify where additional expertise is needed.

Regulatory Concern #1: Environmental

More than half of CRE and construction industry leaders said that the top regulatory/legislative issue facing their industry is environmental. And with good reason: understanding the environmental regulatory framework, and keeping up with changes to federal, state, and local environmental regulations, can be a time-consuming and expensive task. **While on the federal level, environmental regulations are being rolled back, things continue to tighten up in the Northwest.**

For example, Oregon passed one of the strongest diesel pollution reduction laws in the country this session, which impacts construction vehicles. HB 2007 requires, among other things, that as of January 2022 at least 80% of construction vehicles and equipment must be clean (truck engines must be 2010 or newer and off-road engines must meet Tier 4, the highest standards) for state-funded construction projects, costing \$20 million or more in Multnomah, Clackamas, and Washington counties. The bill also encourages display of a sticker on construction equipment showing the emissions profile of the engine.



In Washington, the legislature tackled energy performance standards for the built environment this session. HB 1257 requires the Department of Commerce to establish a State Energy Performance Standard for covered commercial buildings by November 1, 2020, that maximizes reductions in greenhouse gas emissions from the building sector. The Standard will include energy use intensity targets by building type, and methods of conditional compliance including energy management plans, operations and maintenance programs, energy efficiency audits, and investments in energy efficiency measures designed to meet the targets. There will be staggered deadlines for complying with the new standards, starting with the largest buildings (a building with more than 220,000 gross square feet must meet the standards by June 1, 2026), and penalties for noncompliance.

Industry groups such as the Associated General Contractors of Washington and Oregon and NAIOP (Commercial Real Estate Development Association) are good resources for tracking (and influencing) new legislation, and your lawyer can help you understand how the law impacts your business.

Still uncertain? An environmental compliance audit may be a good idea. An environmental compliance audit is a systematic evaluation of the environmental compliance status of a building or site, focusing on current operating and administrative procedures and processes.

Regulatory Concern #2: Immigration

Employers in the CRE and construction industry plan to increase their full-time workforces over the next 12–24 months, but across the board they identify recent changes in immigration policy and political uncertainty as significant challenges facing their businesses. **Increased immigration enforcement activities and fear of workplace raids have made it more difficult for employers to find, hire, and retain qualified workers, while the chances of an I-9 audit have never been greater.** Also, the current administration’s “Buy American/Hire American” policies have adversely affected how federal agencies handle a wide variety of immigration applications.

Employers should work with their employment/immigration counsel to complete thorough audits of their I-9 records now rather than wait until ICE comes knocking.

High-risk employers looking to minimize the risk of inadvertently hiring unauthorized workers (which could later result in the sudden loss of workforce in the event of an I-9 audit or ICE raid), and especially those planning to contract or sub-contract with the federal government, should consider enrolling in the Department of Homeland Security's E-Verify system. There are pros and cons to E-Verify. Carefully evaluate the potential benefits and risks to your business before signing up.

Companies that utilize visa programs such as the H-1B, TN, L-1, and F-1/OPT to temporarily employ foreign-born professionals face increasing challenges due to inconsistent handling, arbitrary denials, and significant delays by the relevant federal agencies. Sponsoring employers should consult with experienced immigration counsel well ahead of any deadline to strategize, identify risks, prepare and file applications as early as possible, and develop a plan B in case any of the multiple federal agencies involved in the immigration process say no.



We're in an unfriendly business environment —
new regulations are strangling development and
the real estate industry in general.

- Partner, Oregon CRE Company

Regulatory Concern #3: Employment

Changes to Washington and Oregon employment laws are happening fast. New laws and updated rules, coupled with employees becoming increasingly aware of—and exercising—their rights in the workplace, leave little room for employer error. **Minimum wage increases, paid sick leave, pregnancy accommodations, pay equity laws, and paid family leave are just a handful of examples of recent changes.** A few ways to prepare:

- Stay on top of posting, notification, and written policy requirements.
- Have systems in place to ensure compliance with pay equity rules.
- Prepare for increases in minimum wage and overtime pay requirements.
- Be aware of new prohibitions on certain contractual language related to confidentiality for sexual harassment or sexual assault in the workplace.

But that is just the beginning. Consider Oregon’s recently passed **Workplace Fairness Act**, which will have a significant impact on how the industry responds to sexual harassment and discrimination claims. Among other changes, the law increases the statute of limitations from one year to five years for certain claims. This change increases the need for effective investigation and documentation procedures related to such claims.

Also consider that Washington and Oregon employers need to be aware of appropriate uses of paid sick leave, and both states now have restrictions in place that prohibit employers from asking questions about an applicant’s criminal history during the initial application process. Employer contributions for Washington’s paid leave are already underway, with Oregon’s employer contributions beginning in January 2022. With so many employees already aware of this new protection, it is imperative that all employers know what is required.

All companies should be reviewing their current policies and best practices and communicating with their employment law attorney to ensure they do not find themselves out of compliance.

TAKEAWAY #2

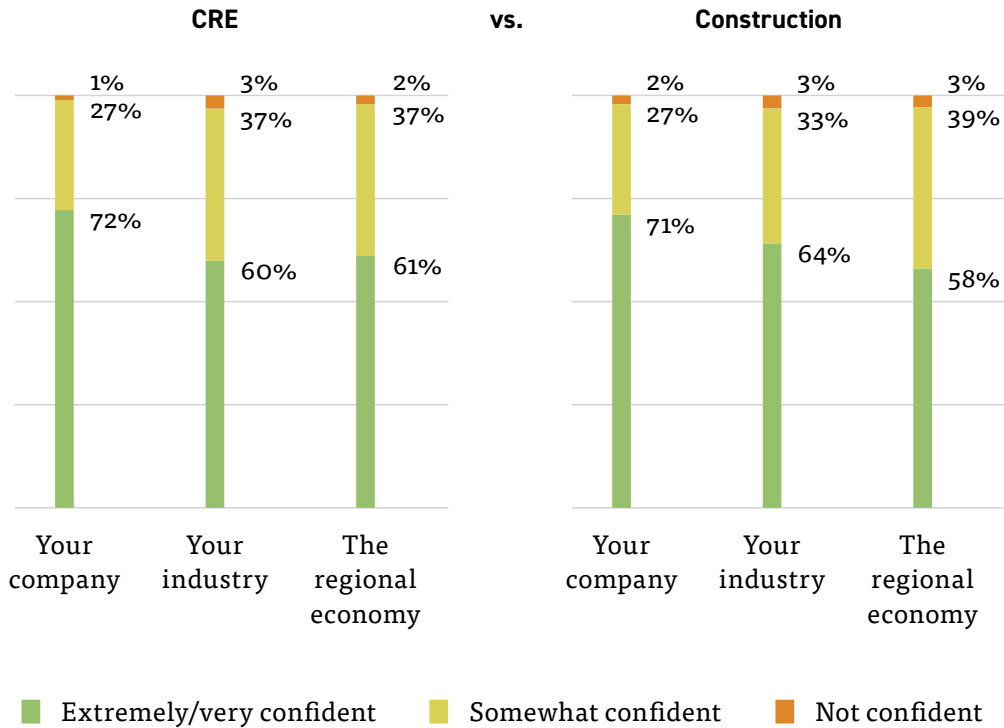
Build Resilience



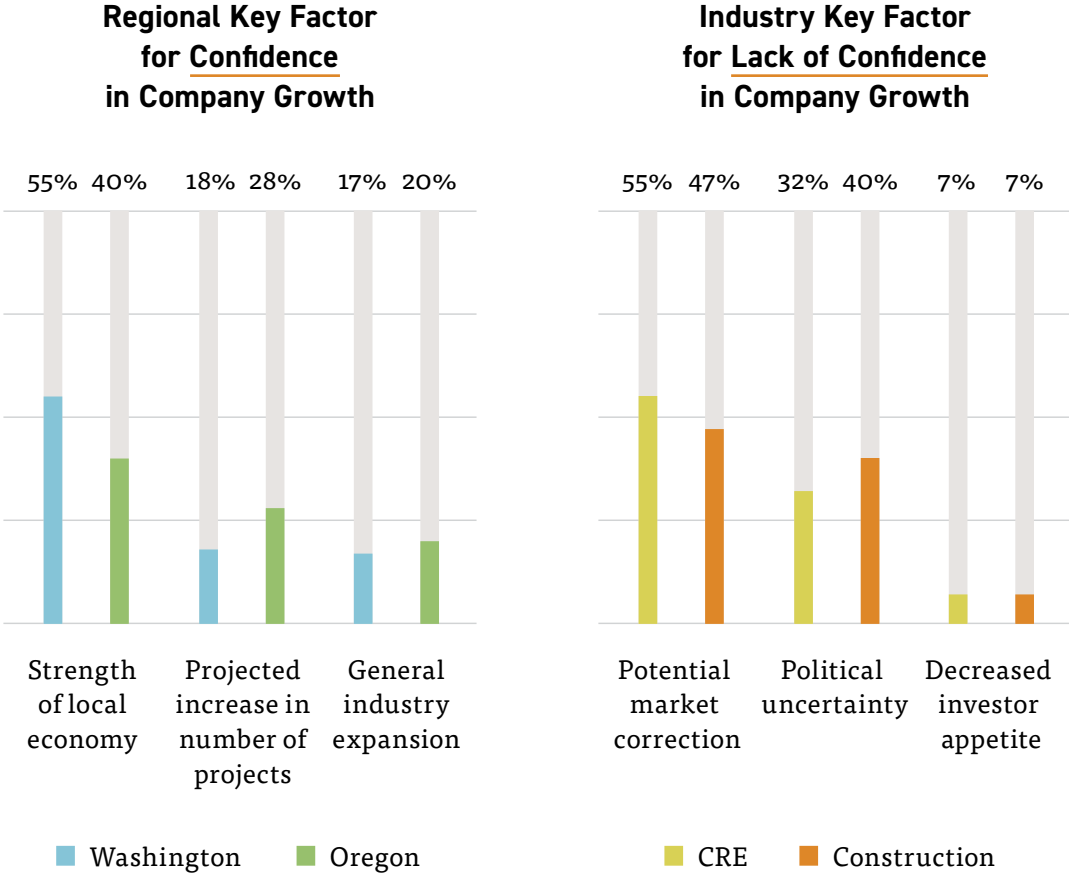
The majority of respondents — almost 75% — report feeling confident about the current state of business, based on their company, industry, and the strength of the regional economy.

Businesses in CRE and construction in Washington and Oregon report similar confidence levels about their companies and industries. However, CRE reports slightly higher confidence in their companies and regional economy, while construction has a slightly higher confidence in their industry.

How CRE & Construction Industries Characterize Their Current Business Outlook



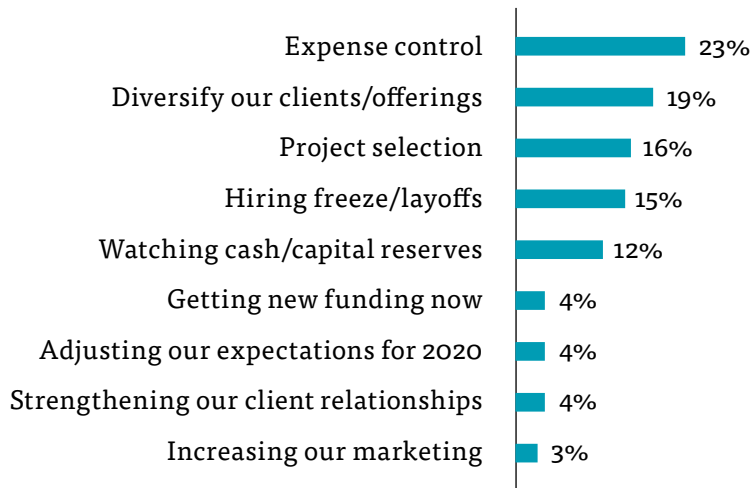
When asked about the primary reasons for confidence in their company's growth, Washington businesses on the whole report stronger confidence due to their local economy, with Oregon citing more confidence in the volume of incoming opportunities and expansion across their industry.



Across CRE and construction, a potential market correction tops the list of reasons for this lack of confidence in company growth, followed by political uncertainty. On the whole, construction businesses are more optimistic about growth in the next year, with CRE slightly more likely to expect market stagnancy or decline.

Despite a strong sense of confidence about their companies, industries, and economies, **more than half of respondents believe a downturn could still be on the horizon as early as next year (2020)**. On the whole, construction businesses are more optimistic about growth in the next year, with CRE slightly more likely to expect market stagnancy or decline.

How Companies Are Preparing for a Possible Downturn



To mitigate against a potential economic slowdown, businesses are closely watching their bottom line, including personnel-related costs. Companies in both industries are also diversifying their clients and services and being strategic when selecting projects. **The lowest-ranked actions include strengthening existing client relationships and increasing marketing, despite a stated desire to engage new and varied clients.**

Half of respondents state they will be working on more infrastructure, private-public partnerships, affordable housing, education, and data centers in the coming year, in an effort to diversify.

INSIGHTS: BUILD RESILIENCE

To summarize what we've heard — leaders are shoring up their businesses primarily through **controlling costs (including their personnel line item)** and **diversifying project offerings**.

Hidden in this data, however, is a devilish paradox: On the one hand, more than 50% of employers plan to hire more workers in the coming year. On the other hand, leaders suggest they'll reduce personnel to limit their exposure. What's the right balance between recruiting and retaining great talent (in a tight labor market) while also eliminating ineffective personnel?

There's a similar challenge in the arena of project diversification and services. One in five are focused on diversification and new offerings, yet only 3% plan to invest in marketing to help expand their customer base. As with the personnel paradox, it's unclear where to pare back and where to invest.

A study by *Harvard Business Review* provides some compelling insights as to why these challenges are so vexing. **In an analysis of 4,700 public companies across three global recessions, only 9% flourished**, performing strongly against their financial metrics and outpacing their industry competitors by a clear margin. How? These companies deployed a multi-faceted, often counterintuitive, approach:

1. **Invest in the business:** Resources were dedicated to business development by making larger investments than rivals in R&D, marketing, and capital assets. Cost savings from operational efficiency measures made this investment possible.
2. **Focus on operational efficiency:** Companies reduced costs by seeking ways to tighten processes and systems, making their businesses more efficient, but worked to retain talent by minimizing employee layoffs.
3. **Commitment to people:** This small group of businesses actually improved employee productivity by prioritizing organizational efficiency and strengthened morale through management's commitment to retention.

To address the varied goals and challenges facing the modern CRE and construction business, **take a more comprehensive approach to resilience — examine the business from top to bottom, including key services, processes, marketing, people, and structure.**

Against the grain: Homebuilder uses recession to leapfrog the competition

In the height of the Great Recession, Clarum Homes owner John Suppes was faced with a choice: follow his competitors on the path of budget hack-and-slash, or find a better way.

John had built a successful spec-home business, but with the financial crisis in full swing, there was simply no funding for his projects. His answer? R&D and marketing. Leveraging prior experience building energy-efficient homes, John's team mastered even more advanced technology and brought it to the high-end, custom-home market. And, to drive demand, Clarum doubled down on marketing.

The result? While the rest of the market retreated, Clarum employed a counter-intuitive strategy that launched the business out of the recession. Today, Clarum is not just thriving — they're enjoying a 10-year run of exponential growth and profitability.



TAKEAWAY #3

Keep Your People

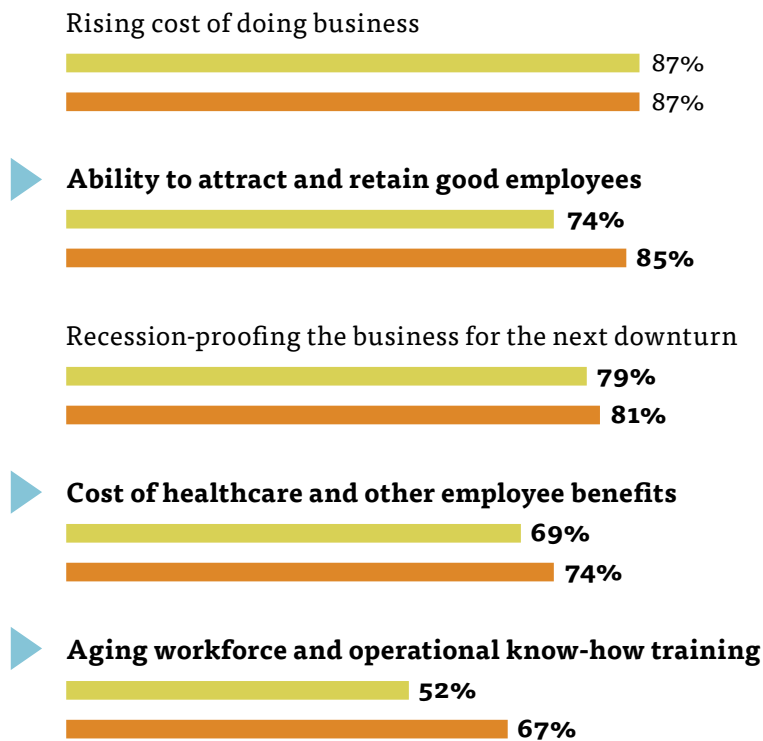


Three of the top five most commonly-reported business concerns across CRE and construction are talent-related.

These concerns include attracting and retaining strong employees, the cost of employee healthcare and other benefits, and training and succession planning challenges. Of these crucial workforce challenges, the construction industry reports a slightly higher sense of concern compared to CRE.

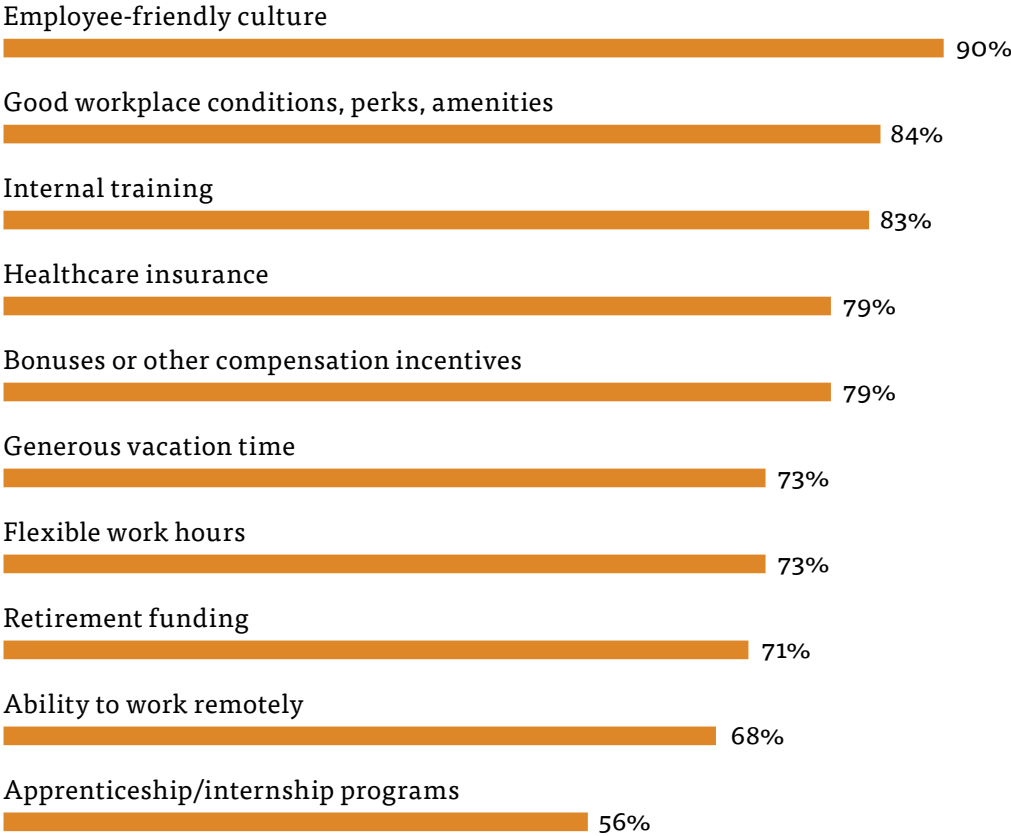
CRE & Construction Business Concerns

■ CRE
■ Construction



Despite the challenges businesses report with recruiting and retaining skilled talent, many employers say they have strong HR programs in place. According to respondents, **almost all report having an employee-friendly culture (90%).** As many as 70% cite having strong health and retirement benefits, training opportunities, and other perks related to vacation and flexible work arrangements.

Benefits Currently Offered

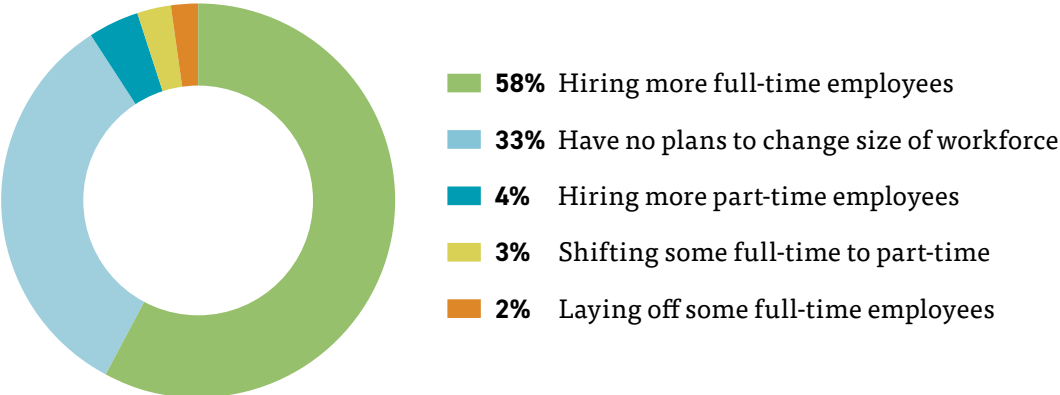


We are losing skilled personnel due to retirement and are struggling to find new personnel to replace them.
- Partner, Washington CRE Company



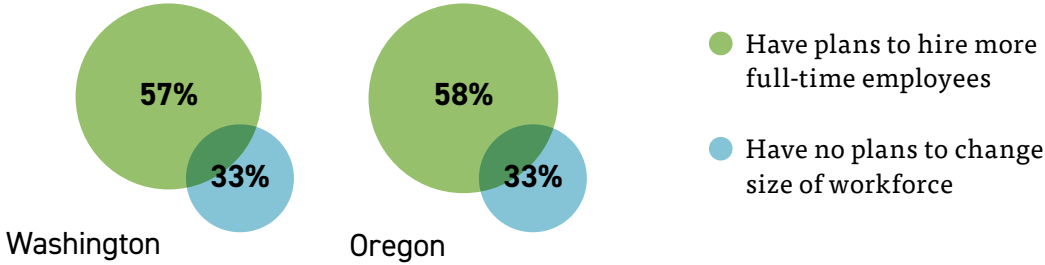
Over half of respondents plan to increase their full-time workforce in the next year, yet that same amount believe their biggest challenge is finding qualified employees.

Workforce Planning in the Coming Year



At the same time, one-third of businesses report planning to keep their workforce growth flat, due in part to their plan to protect their bottom line in the event of an economic slowdown.

In the Next Year

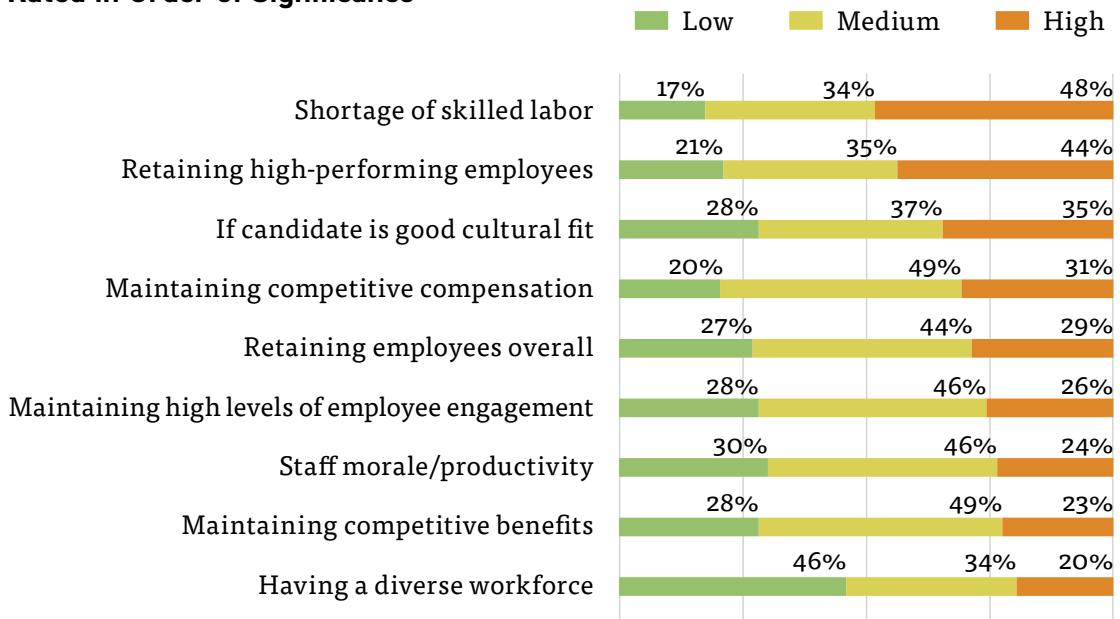


Significant talent recruiting and retention concerns reported by businesses include a shortage of skilled labor and retaining high-performing employees.

Companies report challenges with candidate cultural fit, competitive compensation and benefits, general retention, and employee engagement and productivity. Workforce diversity is the lowest ranked challenge.

The Oregon market reports having tougher challenges compared to Washington in several of these areas, including culture fit, engagement and productivity, and diversity of workforce. Across industry lines, construction reports experiencing a bigger challenge with the shortage of skilled labor.

Challenges Businesses Face in Attracting & Retaining Qualified Employees - Rated in Order of Significance



INSIGHTS: KEEP YOUR PEOPLE

In the survey, it was revealed that almost all respondents cite having an employee-friendly culture, strong benefits, and supportive programs. Business leaders feel strongly that the Pacific Northwest has a tremendous amount to offer employees in terms of job opportunities and lifestyle. **Despite these factors, over one-half of respondents believe their biggest challenge is finding qualified employees, and plan to increase their full-time workforce within the next year.**

In order to attract and retain skilled talent and stay on track with business growth and resilience goals, companies may wish to consider exploring innovative methods of employee recruiting, training, and retention. Two local leaders offer fresh approaches to this challenge.

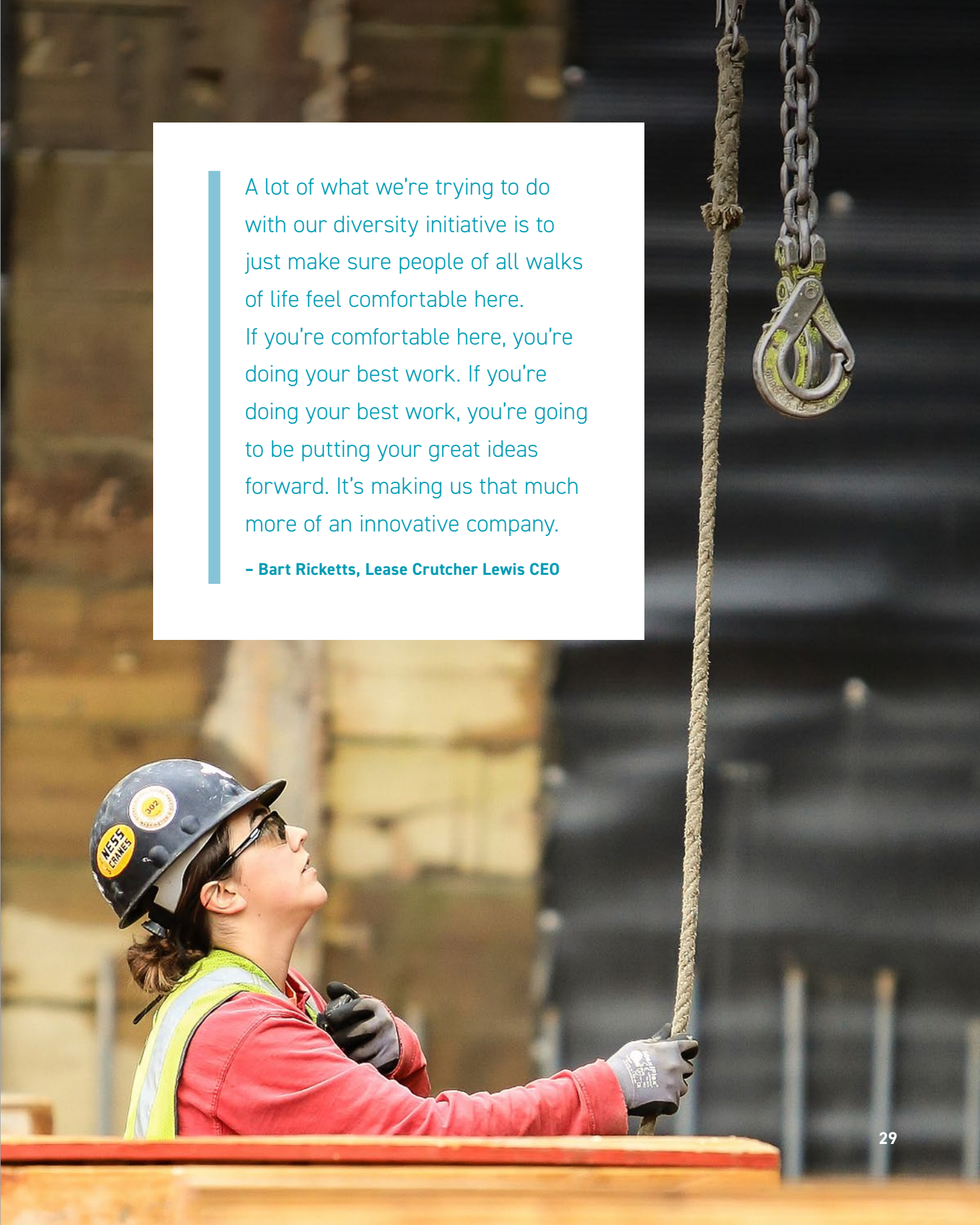
Innovation in Action

Diversity Emphasis Improves Recruiting, Retention and Performance for Local Construction Leader



Lease Crutcher Lewis, founded in 1886, is a leading employee-owned Pacific Northwest construction company. To better serve clients, the company committed to diversifying its workforce through innovative recruiting. By considering candidates with a broader range of experiences and transferable skill sets, the company has hired many talented employees from non-traditional industries and backgrounds, such as education, equipping the company with some of its best trainers and communicators.

Lease Crutcher Lewis is demonstrating that construction is a great career for people from all walks of life by showing them a clear career path, from a promotion all the way up to leadership. These employees have been active in sharing their experiences out in the community, spreading the word, and leading the way for the next generation of builders.

A woman wearing a red long-sleeved shirt, a yellow safety vest, a black hard hat with a yellow 'WESS FRAMES' sticker, and safety glasses is looking upwards. She is holding a thick, light-colored rope. To her right, a metal chain with a hook is suspended. The background is a blurred construction site with wooden forms and rebar.

A lot of what we're trying to do with our diversity initiative is to just make sure people of all walks of life feel comfortable here. If you're comfortable here, you're doing your best work. If you're doing your best work, you're going to be putting your great ideas forward. It's making us that much more of an innovative company.

- Bart Ricketts, Lease Crutcher Lewis CEO



New Brand Fuels Growth and Recruiting Success for Skilled Trades Innovator

Solid Form is a cutting-edge custom metal fabrication shop located in McMinnville, Oregon. Deven Paolo, Solid Form's President, and his colleagues have been feeling the pressure of a shrinking talent pool for a while now. With Baby Boomers retiring at a rate of 10,000 people a day, this has been a topic of national conversation for the better part of the last decade. Solid Form decided to tackle this challenge by investing in holistic business growth and marketing — creating a new brand, mission, values, and vision.

This work enabled Deven and his team to grow their talent pipeline by building relationships with local schools, connecting with the community through strategic partnerships, and creating right-fit employee growth plans. Solid Form has seen tremendous results over the past two years — 20% workforce growth, an increase in customer spend by 64%, and an increase in average project size by 49%.



Having a clear mission and values is really something. People in our community know our mission statement now — I talk to them at parties and they bring it up. Clarifying that stuff has made it so easy to roll out to our employees. We use it as a management tool, to help us answer questions — it's brought clarity to how we do things.

- Deven Paolo, Solid Form President

Looking Ahead

In this report, insights from CRE and construction business leaders across the Pacific Northwest were deeply explored and paired with some food for thought — recommended ideas, approaches, and strategies to enhance your business going forward. The most pressing challenges and areas of innovation fell into three categories: growth opportunities, business resilience, and workforce innovation.

To capitalize on growth:

Understand what regulatory levers impact your business — work with experts to know what matters and how to successfully navigate a changing landscape. Also, explore and adopt new technology to amplify your business and set the bar for innovation across your industry.

To help your business thrive:

Take a holistic approach — evaluate your company inside and out to uncover opportunities for greater efficiency, prioritize your people, and make strategic investments in areas such as marketing and client relationships to fuel your growth and diversification goals.

To attract and retain employees who will go the distance:

Consider innovative approaches to sharing your story, through brand, culture, and values. Take a broader look at what talent means to your organization and how you can grow your pipeline in new ways, through diversifying your team and enhancing your capability for training and development.

Continue the conversation:

This report serves as just the beginning of a bigger conversation around business innovation and growth. Consider this to be a fresh opportunity for exploring new partnerships, to help build your roadmap for a more prosperous future.

If you would like guidance navigating the myriad of regulatory and legislative changes taking place in your market, the legal team at Schwabe is eager to begin the discussion.

To explore innovative opportunities for business resilience and people strategy, consider Kinesis your trusted thought partner and advisor.

Again, thank you to all of the participants who took the time to share their perspectives so that peers and others might benefit from their collective knowledge.

Whenever you see a successful business, someone once made a courageous decision.

- Peter Drucker, Management Innovator and Thought Leader

Leadership



Stephanie Holmberg

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Stephanie leads a firm-wide team of attorneys with diverse perspectives and skill sets that span the full life cycle of commercial real estate and construction projects. Schwabe believes that a strong industry is critical to the health of the region's economy. Stephanie helps owners, developers, contractors, and design professionals resolve disputes at the administrative level and in state and federal courts. She also navigates clients through the public works bidding process, regularly assists with bid protests, and drafts and negotiates contracts. Stephanie is former in-house counsel to a national electrical utility contractor and has experience in all aspects of project development and claims resolution. Her understanding of her clients' business priorities, along with her industry knowledge and involvement, make her an effective advocate.

About Schwabe

Schwabe, Williamson & Wyatt is a law firm that offers a new type of client experience based on a deep industry focus. We provide full-spectrum legal services to our clients through comprehensive, proactive, and industry-focused support to help them achieve their goals. We are more than a collection of lawyers; we work closely with our clients' businesses. Our understanding of the commercial real estate and construction sector allows us to help clients achieve success through ideas, advice, and exceptional legal counsel. With over 175 attorneys and offices in Seattle, Portland, Vancouver, Bend, Eugene, Salem, Anchorage, and Mountain View, Schwabe is one of the largest Pacific Northwest regional law firms.



Shawn Busse

Founder / CEO

Kinesis

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Shawn may very well be the only strategy and marketing guy who knows how to wire a house, design a kitchen, and weld a handrail. While all of these skills might make him a great journeyman, Shawn's "day job" is running Kinesis, a local strategy and marketing firm. A friendly crew with experience to match, the Kinesis team helps contractors, welders, fabricators, designers, and engineers to build the thriving businesses that make our region great.

Since starting Kinesis in 2000, Shawn has been on a mission to radically transform how businesses think about marketing, culture, and growth. While traditional marketing focuses on external tactics, he found that the most successful companies start at their epicenter and gravitate outward. Shawn uses this core business philosophy, Marketing from the Inside Out[®], to help small business owners and leaders reinvent their companies.

About Kinesis

We're a team of business strategists with a marketing edge. What this means is that we leverage marketing as a driver of business success. We partner with leaders of small- to medium-sized B2B companies to position them for growth.

At a foundational level, that means we help them attract right-fit customers and engage top talent. And we help them navigate the changes that come with growth. Sometimes that's a market shift, or a transformation of the company culture. We love working with companies with a vision, ready for their next chapter.

Additional Contributors

Schwabe, Williamson & Wyatt



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Bradley is an international business and compliance attorney who helps clients with constantly-changing U.S. immigration and customs laws, and guides them through the steps to acquire foreign talent and key personnel.



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Larry is a real estate transactional attorney with a strong background in land use and natural resource law.

Kinesis



Alanna Harter Strategist
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Alanna helps small businesses identify where they want the business to grow, and then implement the strategy to get them there.



Alison Tierney Community Engagement
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An active member of the regional business community, Alison connects purpose-driven leaders to the tools they need to be successful.



Andrea Bailey Strategist
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Andrea draws on her experience in diverse markets and organizational structures to uncover what makes each business remarkable and leverage it for impact and growth.



Jeff Wester Strategist
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Jeff brings more than a decade of business and branding experience to help companies cast visions for growth and strategies for amplification.



Kyle Huck Strategist
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Kyle leverages his background in design and business strategy to create sustainable growth and lasting impact at the intersection of data and creativity.



Susie Wittbrodt Strategist
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Susie leans on the power of content strategy and storytelling to help small businesses articulate their remarkability and find their brand voice.

Methodology

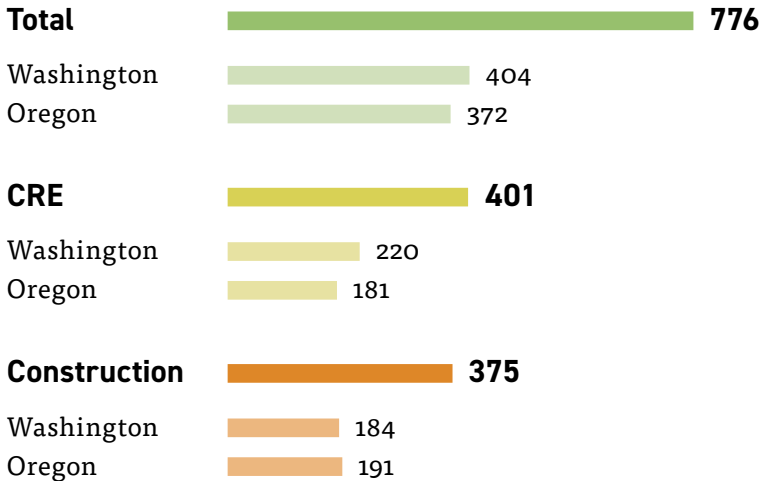
Overview of Survey

From June 4 through July 9, 2019, *The Business Journals*, a division of *American City Business Journals*, conducted an online survey commissioned by Schwabe, Williamson & Wyatt. The purpose of the survey was to explore attitudes and behaviors of those working in the CRE and construction industry in the Pacific Northwest region, with emphasis on the Seattle and Portland metro areas.

Respondents were invited to the survey by one or more of the following organizations: the *Puget Sound* and *Portland Business Journals*, Schwabe, the *Portland Daily Journal of Commerce*, and the Association of General Contractors of Washington.

Number of Respondents

In total, over 770 participants responded to the survey, with 500 fully completing the survey. Respondents were evenly spread across the Oregon and Washington markets, with strong representation in both the CRE and construction industries.



Research Methodology

The online survey consisted of 27 questions and took approximately 10 minutes to complete. The first two questions were used as a qualifier to determine if the respondent was part of the target group. A participation incentive of a chance to win a \$50 gift card was offered by *The Business Journals* for all completed surveys. Gift cards were awarded to six respondents through a drawing.

Statement of Limitations

Although research of this type is not designed to measure with statistical reliability the attitudes of a particular group, it is valuable in giving a sense of attitudes and opinions of the populations from which the sample was drawn. In this annotated questionnaire, results may add up to 99% or 101% due to rounding.

Researchers

The Business Journals' research team has conducted studies, both in-house and via third party, to explore a host of topics and specific business segments to better understand the attitudes, values, and behaviors of business owners and top executives on a national, regional, and individual market basis.

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