America's economic engine
Opening the throttle

A mid-market perspectives report

Opening the throttle

Since 2011, Deloitte has been tracking the middle market's recovery from the financial crisis in a wide-ranging series of questions covering its business metrics, growth outlook and related investments. Up until now, our findings have captured a segment of the economy that was for the most part cautiously optimistic and guarded in its growth aspirations and spending.

Our latest survey shows those careful, incremental steps appear to have paved the way for a leap forward. Nearly across the board, the mid-market executives exhibit notable shifts in their confidence in the economy's upward trajectory, depicting a business climate that has markedly improved compared to even just one year ago.

It's not just about what they're saying, though — it's about what they're doing. While challenges still remain, the companies in our survey are hiring new employees, transitioning part-time workers to full time status, and dedicating more time to training them. They are buying new technology solutions and other equipment after postponing such investments. They are acquiring businesses to reach new markets, and more companies are preparing to tap the public markets with initial share sales.

These are indeed exciting times for the middle market, America's economic engine. This report reflects the sector's commitment to action, with a notable shift in posture and expectations for growth not yet witnessed in the current decade. It also addresses the constraints companies are running up against as they seek to expand. Most pronounced among these are the challenges involved with acquiring and retaining skilled talent, an issue that has companies pursuing a number of paths to bolster their workforce ranks. We hope the analysis and insights you find in this report will help set the context for your own actions in the year to come.

Roger Nanney
National Managing Partner
Deloitte Growth Enterprise Services
Deloitte LLP

About the survey

From October 6 to October 17, 2014, a Deloitte survey conducted by OnResearch, a market research firm, polled 504 executives at U.S. mid-sized companies about their expectations, experiences and plans for becoming more competitive in the current economic environment. Respondents were limited to executives at mid-market companies with annual revenues between $50 million and $1 billion.

Eighty percent of the companies represented were privately held; only 20 percent were public. Of the private companies, 35 percent were family-owned and 28 percent were closely (non-family) held; 37 percent were private-equity or VC-backed or had other ownership structures.

Nearly half of the respondents were owners, board members, or C-suite executives; the remainder included vice-presidents, department or business line heads, or managers. Industries were diverse: those with the largest representation were consumer and industrial products; technology, media and telecommunications; and, financial services. Life sciences and health care, energy and resources companies, and other industries comprised the remainder of respondents.

The full survey results can be found on our website at www.deloitte.com/us/dges/openingthethrottle; some percentages in the charts throughout this report may not add to 100 percent due to rounding, or for questions where survey participants had the option to choose multiple responses.

Growth spurs greater investment

In recent years, the U.S. middle market segment has continued to benefit from modest economic growth. Up until now, the incremental nature of the expansion had prompted business leaders to invest at the margins while waiting for signs of a more solid foundation to drive growth.

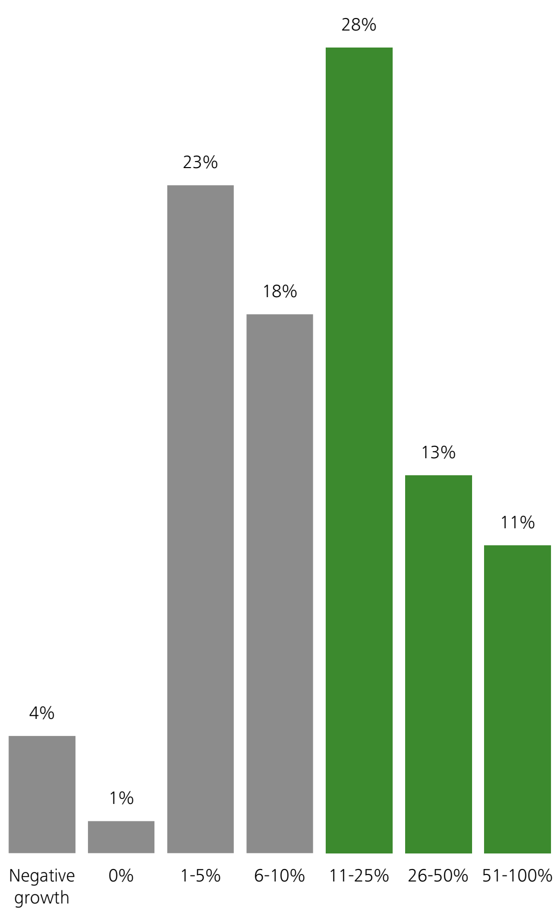
Our current survey suggests that many now believe that foundation is in place and they are ramping up their investments accordingly. Gross domestic product has rebounded strongly from a dismal, weather-induced contraction in the first three months of the year. Consistent job growth has pushed the unemployment rate to a six-year low, despite the fact that the labor participation rate remains near record lows. Consumers are expressing their highest confidence levels in seven years. And inflation and interest rates both remain low by historical standards.

Economy, business metrics pointing up

These data points are giving mid-market businesses greater confidence that growth is sustainable over the near term. More than a third of respondents — 35 percent — believe the U.S. economy will expand by more than 3.5 percent over the coming 12 months, almost double the 18 percent of respondents who held that view one year ago.

The increasingly attractive operating environment is helping mid-market companies to realize widespread gains in most of their business metrics. From revenues to productivity to profits, the vast majority of the executives in our survey say their metrics had either increased or at least stabilized, and very few reported declines. Tellingly, many executives believe those gains will hold in the year ahead. More than half of those polled say they expect their company's revenue growth to exceed 10 percent over the next 12 months, and a majority also expect profits to increase, reflecting stronger sentiment than surveys from last spring and from one year ago.

What would you estimate your business' revenue growth to be over the next 12 months?



More than half expect their revenue growth to exceed 10% over the next 12 months

U.S. and global opportunities

The dominant source of revenue growth is coming from the U.S. market, which has emerged in 2014 as a source of strength while many of its major trading partners have struggled. The middle market continues to be predominately domestic — accounting for 94 percent of companies' growth over the past 12 months – but they are looking for more revenue and growth from overseas.

Rubie's Costume Company Inc. is one of those looking to expand internationally. Rubie's currently operates in more than a dozen foreign markets and has plans to add more in the coming year. Growing populations in developing countries are swelling the ranks of those with disposable income, and Rubie's looks for markets where consumers tend to spend it on Halloween and Carnival costumes.

"We are always thinking long term," says Rubie's Chief Financial Officer Giuseppe (Joe) Soccodato, who adds that being private helps the company look beyond quarterly results. "We invest to get an acceptable rate of return but it's not something we look at in terms of one or two years. The markets we're looking to grow in have attractive long-term growth potential."

COMPANY SPOTLIGHT

Rubie's invests to keep store shelves filled

Rubie's Costume Company Inc. is fortunate to be in a business with fairly steady demand for its products. According to its website, Rubie's is the world's largest designer, manufacturer and distributor of Halloween costumes and accessories. Rubie's sales are affected at the margins when the economy is soft or the stock market corrects, but, generally speaking, kids — and even some adults — don't go without costumes on October 31.

Family-owned Rubie's, which saw an increase in sales over the past 12 months and has grown exponentially from its humble beginnings in the back of a candy store, finds that one of its challenges is competing for shelf space among a rapidly consolidating retail industry.

"It's very competitive out there," says Rubie's Chief Financial Officer Giuseppe (Joe) Soccodato. "We have to stay on our toes to make sure we are delivering what our customers want."

One way Rubie's is staying nimble is by investing in technology. The company is continuously upgrading the software behind its inventory management system so that its sales people, production staff and accounting departments have real-time insights into what is selling and needs to be replaced. "What we have, where we have it and how quickly we can get it to our customers — it's critical we can answer those questions at any point in time," Soccodato says.

One indicator of the company's confidence in its future is the fact that it recently opened a new warehouse near an existing one in Long Island, New York. "We're seeing across-the-board revenue growth," Soccodato says. "We simply needed more space to hold the goods our customers want."

94% of middle market growth in the past 12 months was domestic

Spending more on talent, equipment, technology

Companies are acting on improving fundamentals and renewed confidence by expanding their workforces and spending more in other key areas. More than a quarter of those surveyed say their company increased its full-time domestic workforce by 5 percent to 10 percent over the past 12 months, more than double the rate of the spring survey, and a sizable contingent report hiring at greater rates. In many cases, full-time jobs are replacing part-time positions.

Looking ahead, more than half of the respondents say they expect to hire more full-time employees in the coming year, compared to just over one-third one year ago. Despite widespread challenges the middle market is facing in finding skilled workers (see more in-depth talent findings in Section 3), 63 percent of the companies in our survey are planning to increase their workforces in the next 12 months, including 13 percent who plan increases of 10 percent or more.

Business spending intentions show similar patterns. Many companies that had either delayed capital investment or were holding the line are now putting more cash to work by buying new equipment. “Business investment has been held back by fears of deflation, excess capacity and weak overall demand — all factors that appear to be subsiding,” says Deloitte’s Chief Global Economist, Ira Kalish.

Leaders in the middle market expect an uptick in capital projects over the next 12 months, led by the technology sector, where two-thirds of respondents see capital investment on the rise in the coming year. Technology firms may be more optimistic because they are benefiting from increases in demand for their own products and services. These executives in our survey say their companies are spending more across the technology spectrum, from cloud computing to data analytics to customer relationship management systems.

“These survey findings confirm what we are seeing in the marketplace, where the majority of companies are focused on creating value organically rather than through acquisitions,” says Charles Alsdorf, a director with Deloitte Transactions and Business Analytics LLP. “More specifically, the focus of performance improvement for mid-market companies continues to be on technology, talent, and equipment.”

Obstacles to growth

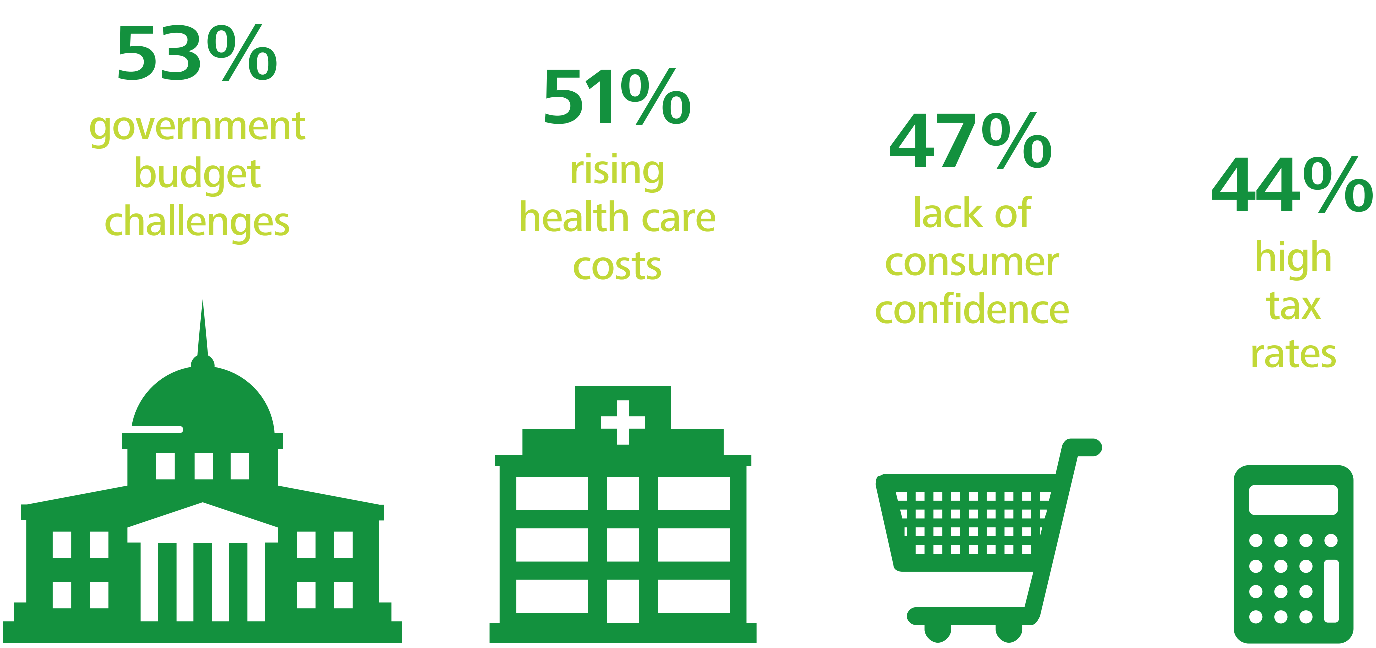
Asked to list the top obstacles to U.S. growth, government budget challenges claimed the top spot from rising health care costs, which was cited by 51 percent of the respondents. The European debt crisis was among the issues attracting more concern, as 27 percent now see economic weakness on the continent as a potential obstacle, up from just 16 percent one year ago.

"The biggest risk to U.S. growth now comes from the slow pace of growth elsewhere, especially in Europe and China," says Kalish.

Mid-market businesses also are keeping a wary eye on the real estate market. After a period of gains since the depths of the recession, home price growth has slowed in many major metropolitan areas, and a quarter of the respondents believe a weak housing market may inhibit economic growth, up from 16 percent one year ago.

Asked to cite obstacles to their company's growth, the uncertain economic outlook again ranked No. 1 but the issue was cited by only 40 percent of the respondents this time versus 50 percent one year ago. Concerns about health care costs dropped significantly here as well, with 24 percent of the executives now citing the issue as an obstacle compared to 36 percent last fall. Rolling back health care reform is now viewed as a needed step by only a quarter of respondents, down from 41 percent last year.

Which of the following issues present the greatest obstacles to U.S. growth over the next 12 months?



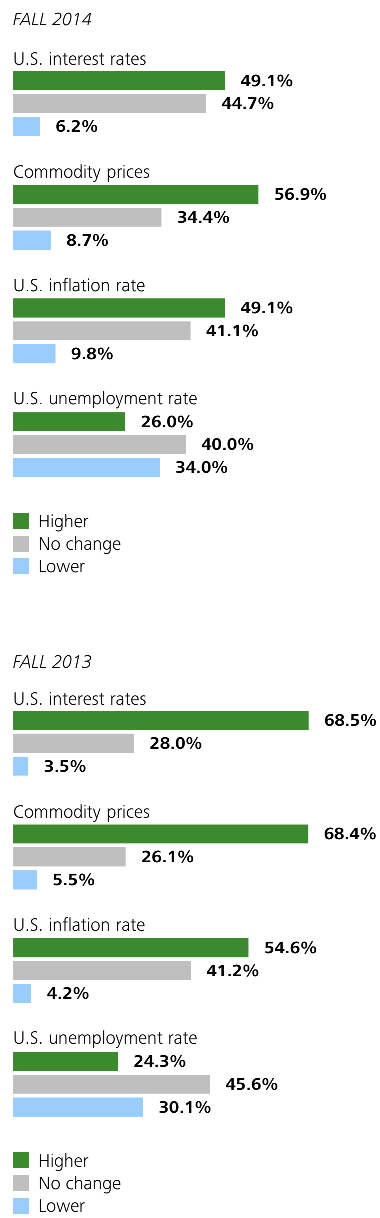
The outlook on interest rates appeared to provide yet more relief. The Federal Reserve in late October ended its latest bond-buying program meant to stimulate economic activity, but it continues to pledge to keep interest rates near zero for a "considerable time." Investor expectations for a rate increase at the Fed's June 2015 meeting continue to slip, and trading in federal funds futures show they are increasingly betting on a late-2015 rate hike.[1]

Companies in the middle market appear to share those sentiments, as they are increasingly convinced that a favorable lending environment will persist for at least another year. Less than half of the mid-market executives in our survey believe interest rates will rise over the next 12 months, down significantly from one year ago.

These findings, coupled with the fact that respondents place less emphasis on obstacles to U.S. growth than in previous surveys, may serve as another indicator that confidence is returning. What may have been considered road blocks previously look more like speed bumps today.

It is interesting to note that while executives' confidence in the U.S. economy overall and in their own companies has increased substantially, the level of uncertainty about economic conditions remains about the same when compared to our previous surveys. Despite increased confidence, not all executives are ready to move forward aggressively; in fact, 37 percent still report deferring investment due to uncertainty.

What do you believe is the most likely outlook for the following over the next 12 months?



[1] Federal Reserve press release, October 29, 2014: http://www.federalreserve.gov/newsevents/press/monetary/20141029a.htm

Transformation through transactions

It appears mid-market companies are poised to explore opportunities that could fundamentally transform their organizations. On that score, a significantly higher number of executives expect their companies to pursue financing across the credit spectrum, including private equity sources and public offerings, and there appear to be plans for more mergers and acquisitions.

Strong capital markets are encouraging more companies to consider selling shares to the public for the first time; the number of respondents expecting their company to pursue an initial public offering within the next 12 months rose to 18 percent from just 8 percent one year ago. They are also more acquisitive than they have been in recent years, buoyed by stronger balance sheets, an improving economic outlook, and easy access to financing.

"This is the strongest M&A market that we've seen since the dot-com era," says Kevin McFarlane, a managing director of Deloitte Corporate Finance LLC. "Management teams of large corporations and owners of middle-market companies alike have become increasingly comfortable that there is some stability in the market upon which they can determine the best course of action for their respective enterprises. This, coupled with the steady increase in equity markets, low interest rate environment and pent-up supply of acquisition targets, are all fueling the high level of transaction activity."

Looking to partner

Conditions point to increased merger and acquisition activity as mid-sized businesses look to expand. On a year-over-year basis, mid-market deal volumes were up 11 percent in the second quarter, and our survey findings suggest that the pace of mid-market transactions may accelerate. Nearly half (46 percent) of the companies now say they are at least likely, if not very likely, to purchase another company in the coming year — compared to 31 percent just six months ago. In addition, significantly higher numbers of respondents indicated that their companies closed on multiple transactions.[2]

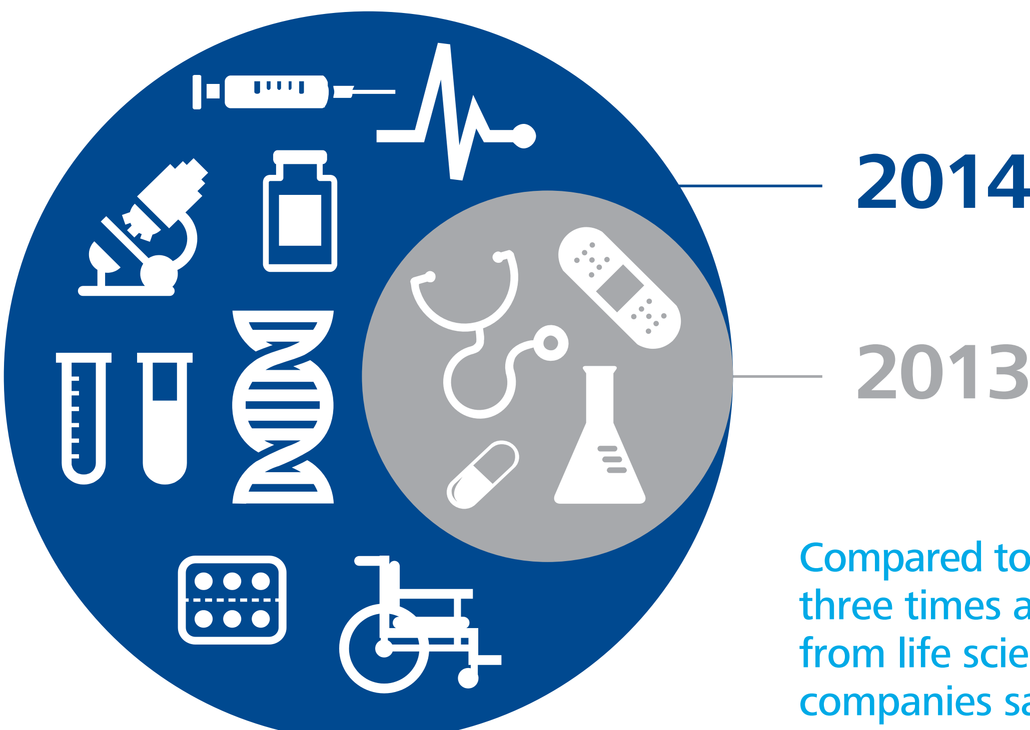
37% report completing three or more M&A transactions in the past year (compared to 27% six months ago)

[2] *Middle Market M&A News,* Deloitte Corporate Finance LLC, August 2014.

While many of the respondents in past surveys had suggested their own companies weren't for sale, 28 percent now believe their company is likely to be the target of a merger in the next 12 months, compared to only 13 percent six months ago. The respondents continue to see a direct U.S. competitor as the most likely counterparty in a merger or acquisition, but a significantly higher share identified a domestic business partner (28 percent versus 18 percent in the spring) or a private equity firm (20 percent versus 12 percent) in a potential deal.

Notwithstanding, there continues to be strong global interest in U.S. mid-market companies. "In particular, large overseas corporates often view mid-market acquisitions as more manageable from a size perspective. They also allow corporates to be more targeted in acquiring the specific capabilities they are looking for to complement their existing product or service offering," McFarlane notes.

Looking at specific sectors, energy and technology firms are expected to drive the bulk of merger activity, while consumer, energy and technology sector companies were seen as the most likely targets. Compared to one year ago, about three times as many respondents from life sciences and health care companies saw attractive pricing among firms in their own sectors as stimulating deals.



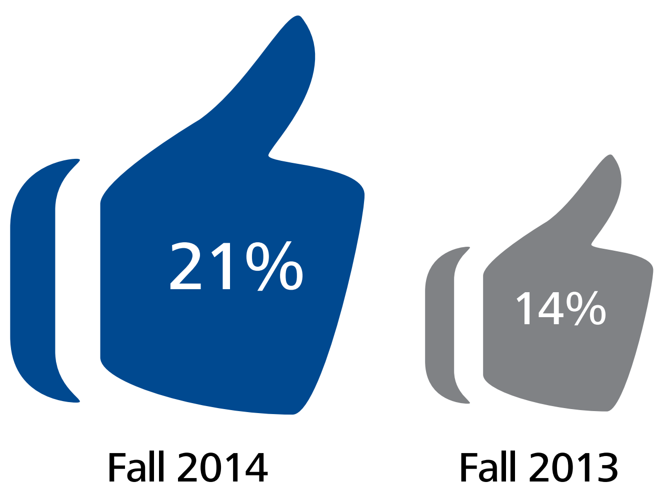
Compared to one year ago, about three times as many respondents from life sciences and health care companies saw attractive pricing among firms in their own sectors as stimulating deals

Customer acquisition leads deal drivers

The top spot among deal drivers remains consolidation to expand or diversify the customer base (47 percent), but an increasing number of the respondents cite factors such as renewed confidence in the economy and the increased availability of capital for driving such interest. The other top-ranked considerations include consolidation to capture scale efficiencies (38 percent) and bargain-hunting for underpriced assets (23 percent).

What will be the main drivers of merger activity in your company's industry in the next 12 months?

Renewed confidence in the economy has grown in importance as a perceived driver of merger activity



Talent: a prerequisite for growth

Technology is sometimes seen as a means to do more with less — with “less” referring to workers who are rendered obsolete by technology’s advance. But increasingly, the types of technology solutions that companies are turning to today are designed to make workers more productive and enhance jobs, not replace them.

Generally speaking, one of the better indications of how fast a company is growing is how many jobs it’s creating. In this, talent is an important prerequisite for growth. In our survey, companies across the middle market say it is increasingly difficult to take full advantage of growth opportunities simply because workers with skills aren’t readily available or require new incentives to bring them on board.

“What organizations are finding is that, for the first time in a long time, they are having to really invest organically to source talent,” says William Pelster, a principal with Deloitte Consulting LLP. “In the past, companies were able to go out and recruit people to fill their needs. Now, they need to take a longer, more strategic view around training and development.”

Staffing a technology-dependent workplace

The growing ranks of the mid-market workforce might be even greater were it not for issues companies continue to report in acquiring and retaining the skills they need to compete. Executives reveal that making connections between candidates and openings in tough-to-fill jobs is holding their companies back. Nearly two-thirds agree that “it is difficult for us to find new employees with the skills and education to meet the needs of our business,” and one in five reports that skills shortages are suppressing their company’s growth.

The gap between skills demand and labor supply is most visible among technology firms, which have expressed growing levels of frustration finding employees with the right capabilities. Indeed, responses to questions posed in the current survey hint at a deeper interconnectedness across the middle market between talent and technology, the two inputs companies see as the best vehicles for boosting productivity. The challenge is this: Companies need new technologies to continue to innovate and operate more efficiently, yet they lack the people who know how to reap the greatest rewards from their new investments. While several areas of organizations are being hampered by skills shortages, our survey findings show that none are being affected more so than IT departments.

Nearly two-thirds agree that “it is difficult for us to find new employees with the skills and education to meet the needs of our business”

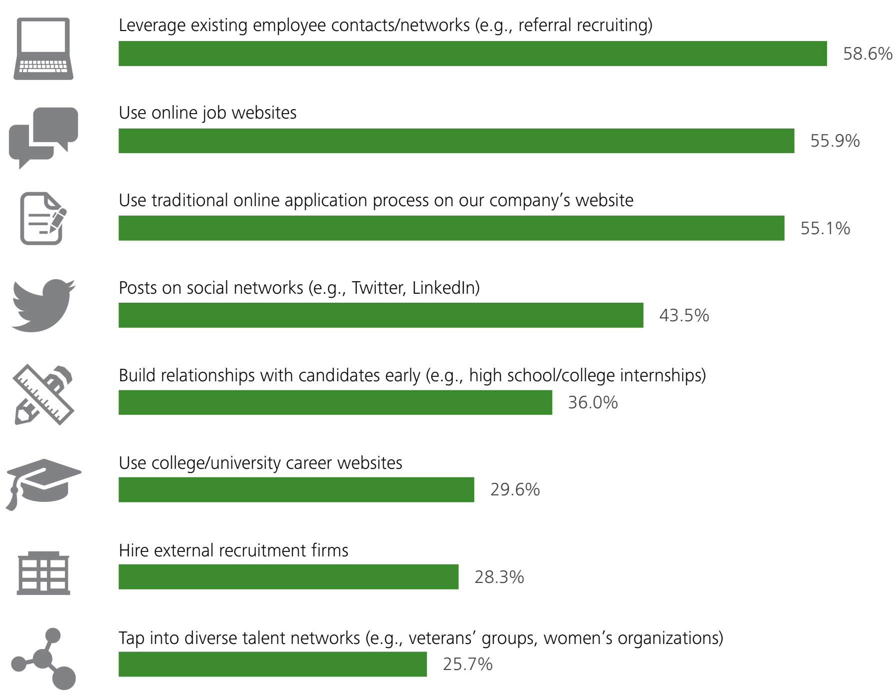
Social recruiting

Companies are experimenting with a number of methods for relieving worker shortages. While professional networks continue to matter — referrals and personal networks are the most widely used methods to fill vacancies — technology is gaining ground as a go-to tool in hiring efforts.

Social media has made big inroads in recruiting in recent years, and about four in 10 respondents in our survey say their company is taking advantage of social networks such as Twitter and LinkedIn to circulate job postings, screen resumes, and identify candidates to interview. Predictably, technology firms are the most advanced adopters of social networks for recruiting. Nearly 90 percent of respondents at technology firms agree that technology as a recruiting tool was a central part of their talent strategy, versus 78 percent among all respondents.

What remains to be seen is the extent to which social media factors into the middle market's recruiting strategies. While larger studies Deloitte has conducted show that few companies do more than merely post current openings they are looking to fill, we are increasingly seeing innovative companies leverage the reach of social networks by creating online communities of like-minded individuals who build awareness for brands and create a pipeline of potential new talent for hiring managers. For instance, some organizations are using their LinkedIn, Twitter or Facebook channels to issue calls to action, such as polls, surveys and contests. These actions can reveal workers with expertise in the industry, and yield a new pool of potential hires.

What are the primary ways your company recruits new employees?



Emphasis turns to training

Yet, when the executives were asked what approaches their companies were specifically taking to address skills shortages or supplement their workforce, in-house training was their top response. Other answers included global hiring, partnerships with post-secondary institutions, and relying on a virtual workforce.

In a separate question, the executives named training as the most popular investment in talent their company was likely to make over the next 12 months, on par with increasing the ranks of their full-time employees. In fact, training has become more popular as a talent investment over our past three surveys, while other traditional investments such as higher compensation and asking existing employees to work more hours have declined.

Training also figured prominently in companies' steps to encourage professional development. Nearly two-thirds cited traditional internal training and development as the best way to cultivate future leaders, and covering the cost (in whole or in part) of external skills training and development programs was the second most-popular approach.

"It's increasingly the case that you can't go out and source leaders," Pelster says. "The mistake many companies make is they try to address the issue episodically through steps like one-year leadership development programs. That's not the way it works. Leaders need to be developed through a strategic process over a period of time."

Nearly two-thirds of respondents cited traditional internal training and development as the best way to cultivate future leaders

COMPANY SPOTLIGHT

Training key to growth at Total Quality Logistics

Shortages of skilled workers may be hampering many companies across the country, but Total Quality Logistics (TQL) is turning a worker shortage in one industry into a competitive advantage. TQL, one of the largest freight brokerage firms in the nation, is growing rapidly in part because a tight supply of truck drivers is making it difficult for manufacturers to ship their products. TQL works with more than 50,000 carriers across North America, giving the company access to hundreds of thousands of trucks to help its customers move freight efficiently and economically.

One key to TQL's growth has been its ability to keep filling its own job vacancies by putting its new recruits through a rigorous training program. "We developed our in-house training because we knew that arranging truckload transportation at the highest possible level of service isn't a skill most people are going to have," says TQL Executive Vice President Kerry Byrne.

TQL developed a six-month training program for all new employees looking to become logistics account executives, those who find freight opportunities then negotiate with customers and carriers. Each new hire starts in the classroom, learning the operational aspects of the job from an industry perspective and about the systems and processes specific to TQL. Later, they move out "onto the floor," where they serve as apprentices to logistics account executives, talking to drivers, securing quality carriers with the right equipment to move the customers' loads, and generally learning the ins and outs of the business. Sales training completes the program. Over the past year, the company has added 500 logistics account executive trainees.

"We tried outsourcing pieces of the training, like sales, but we found from a control perspective that it makes more sense to run it on our own," Byrne says. "That way we can make sure we are maintaining our culture throughout the process. Our investment in training is critical to our success."

Companies offer work/life fit options to attract new employees

Growing focus on work-life balance

Middle market businesses are well-known for providing access to leaders and opportunities for advancement, and these qualities are helping the survey companies recruit and retain new employees. As additional lures, they are working to create a flexible work environment that helps employees balance their work and personal lives.

Work/life fit was among the leading vehicles companies say they are using to attract potential employees, nearly as popular as compensation and incentives. For most companies, balancing work and personal lives involves offering flexible work hours, but a large minority also cited wellness/exercise programs and telecommuting as current offerings. A smaller number of companies reported initiating parenting classes and even support for aging relatives. These efforts are not being lost on the workers, with the vast majority of the executives reporting high levels of employee engagement in work/life programs.

Technology comes slowly to corporate learning

The explosive growth of online learning tools may be democratizing education for millions but companies haven't exactly been at the leading edge of this transformation. Deloitte's annual global human capital survey found that while two-thirds of companies believe that online learning is "urgent" or "important," only 6 percent believe they have mastered the content and technology capabilities needed to make it accessible and compelling to their employees.[3]

Younger workers now expect training and support to be as readily available as a Google search. Companies need to embrace a new approach in which learning and development is a continuous process, with training content offered seamlessly through computers or mobile devices around the clock. Leading companies are therefore turning to online content, massive open online courses (MOOCs), collaboration tools and social media as the basis for a new training model where employees own their skills and experts share knowledge freely.

Through this transition, HR departments need to focus more on becoming facilitators of learning and curators of content, as much as developers and deliverers of training programs. Workers are taking it upon themselves to find information, educate themselves, and share their own experience. Research conducted by Bersin by Deloitte shows that creating this type of learning culture, where employees willingly share skills and knowledge, is now one of the most important factors in business success.[4]

[3] *Global Human Capital Trends 2014,* Deloitte University Press, March 2014.
[4] *High-Impact Learning Culture: The 40 Best Practices for Creating an Empowered Enterprise,* Bersin & Associates/David Mallon, June 2010.

Enabling employees through technology

As companies work to beef up their workforces, many also are exploring new investments in technology to better equip their employees. Approximately 88 percent of the executives surveyed view technology as a way to either increase or extend employee productivity.

"We expect to see more of this with the advent of wearable technologies, increased use of social and mobile computing, and new technologies like adaptive manufacturing that alter the speed at which business is done," said Harvey Michaels, principal, Deloitte Consulting LLP.

One company that is spending on technology to make its employees more productive is Total Quality Logistics (see separate Company spotlight on page 17). The freight brokerage firm spent $10 million last year on technology-related capital expenditures, including updates to its mobile technology for carriers. The majority of the capacity in trucking comes from owner operators; men and women who are usually on the road. The ability to access available loads from their smartphones saves them time. TQL's mobile application, Carrier Dashboard, also allows them to scan paperwork form their phone and email it directly to TQL. Finding other ways to utilize technology to increase operational performance for carriers and customers will be a big focus for the company moving forward. In addition, the company has invested in an internal software development group of about 75 employees. This enables the company to integrate with its customers' transportation management systems. This helps the company monitor and report on the performance metrics that are most important to its customers. Improved visibility also is an important area of investment. TQL is already doing track and trace and looking for additional ways to improve.

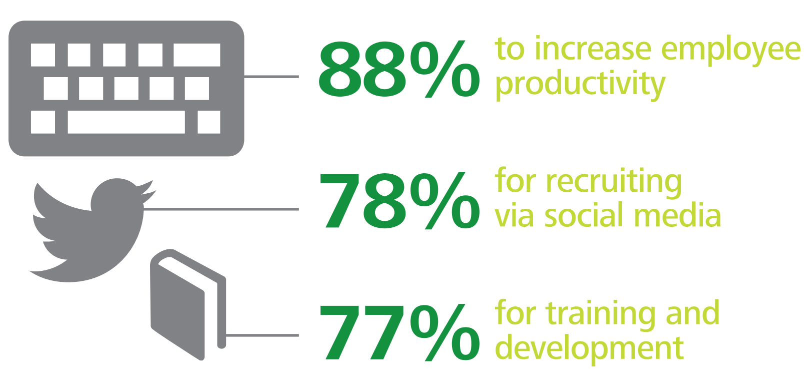
When it comes to cloud-based systems to serve the mobile workforce, the life sciences and technology sectors are proving to be the biggest adopters. More than half of respondents in these industries rely on software as a service for mobility needs, which is twice the rate of energy companies. Among financial firms, slightly more than a third of respondents make use of the cloud to manage mobility.

Technology sector leaders also say their firms will invest in customer relationship management solutions in greater numbers in the coming year. Such investments provide companies with greater capabilities to process leads and develop deeper relationships with current customers. Investments in this area also provide an opportunity for vendors seeking to capture new business in the CRM landscape.

On an organizational level, human resources departments are increasingly employing technology to automate HR functions such as candidate screening and performance management. Employees, in turn, have access to expanding selections of mobile applications designed exclusively for HR purposes. These tools have transformed professional development, goal-setting meetings with supervisors and other mainstays of HR by moving them to the digital sphere.

Of course, mid-market companies don't have endless resources to chase new innovation. The costs of keeping up with technological advances was one of the biggest gainers in the current survey among the issues cited by respondents as top obstacles to their company's growth. Nearly a quarter now see such costs as a major impediment, elevating the importance of careful planning and implementation of technology projects.

Technology plays a key role in talent strategy for most companies



Conclusion

The marked acceleration in business metrics and spending intentions may not be benefiting all participants in America's middle market, but the ripple effects are certainly being felt far and wide. The nation's economy has made important strides in recent months as it continues to return to more historical rates of growth, and there is no doubt that mid-market companies have had a sizeable hand in that story given the significant improvement we witnessed in the current survey across talent, technology, M&A and other indicators.

As companies seek to shift into the next stage of growth, business leaders will have to turn their attention to building the necessary resources for realizing their potential. Talent constraints are coming to the fore, as are unique and innovative ways companies are adopting to alleviate them.

Questions that mid-market companies will likely need to answer to sustain growth in the months and years ahead include:

- Are we investing in the right areas (markets, people, products, technology) for growth?
- How much emphasis should we place on in-house training and development programs?
- Do we have the right talent in place to lead our company in the future?
- Are we taking full advantage of social media platforms in our recruiting efforts?
- Is now the right time to be a buyer or a seller? Should we consider going public?

The results of our survey indicate that the throttle may be opening for many businesses. Keeping your eyes on the horizon, along with what's immediately ahead, is good business sense as well as good driving sense. Asking the right questions and being deliberate in finding the right answers can better prepare your company for the journey on the road to growth.

Perspectives

This report is just one example of Deloitte research on topics of interest to mid-market private companies. Presented by Deloitte Growth Enterprise Services, Perspectives is a multifaceted program that utilizes live events, signature reports, research publications, webcasts, newsletters, and other vehicles to deliver tailored and relevant insights in an integrated fashion.

Please visit our Perspectives library on the Deloitte Growth Enterprise Services website (http://www.deloitte.com/us/perspectives/dges) to view additional material on issues facing mid-market private companies.

Acknowledgment
We would like to thank all interviewees and survey respondents for their time and the insights they shared for this report, *America's economic engine: Opening the throttle.*

Contacts

Roger Nanney
National Managing Partner
Deloitte Growth Enterprise Services
Deloitte LLP
rnanney@deloitte.com

Bob Rosone
Director
Deloitte Growth Enterprise Services
Deloitte LLP
rrosone@deloitte.com

Research and editorial lead
Janet Hastie
Senior Marketing Manager
Deloitte Services LP

Report design
Isaac Brynjegard-Bialik
Senior Manager
Deloitte LLP