

Report On

The Building Service Contractor Market

Results of a Study Conducted By
Contracting Profits Magazine
July 2009

Methodology

This report details the purchasing habits and market growth of building service contractors (BSCs) nationwide in 2009.

SAMPLE

The survey audience was drawn from subscribers to *Contracting Profits* magazine (building service contractors/professional cleaning contractor executives).

SURVEY

The survey was first sent via e-mail to 8,025 participants on April 16, 2009. Follow-up survey reminders were e-mailed to non-respondents on April 20, April 27, May 1, and May 6, 2009. A total of 321 chose to opt-out or failed to respond due to an invalid e-mail address.

RESPONSE

The survey was closed for responses on May 11, 2009. With 281 qualified questionnaires returned by the deadline, and a net mailing of 7,704, the rate of response for the e-mail survey was computed to be 3.6 percent.

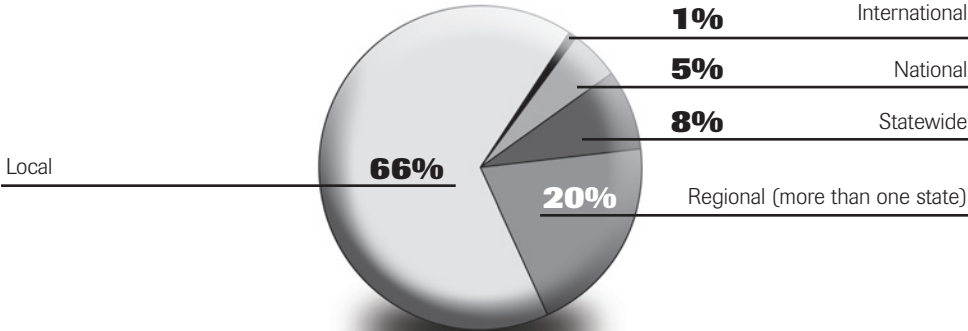
STATISTICAL CONFIDENCE

The overall estimated margin of error for this study is ± 5.82 percent at the 95 percent confidence level.

Survey Results

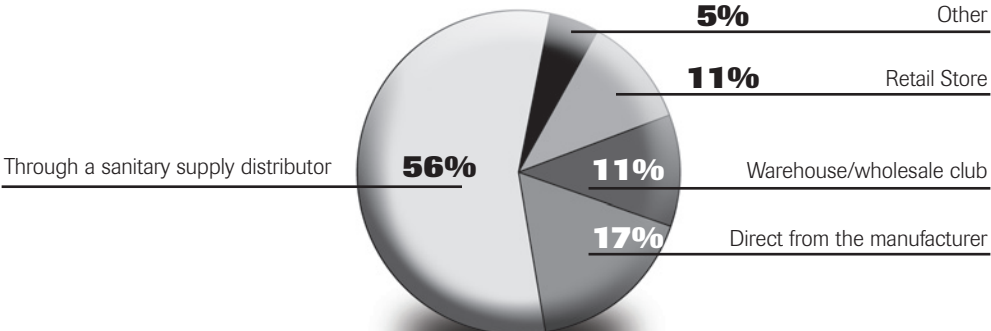
MARKET AREAS SERVED BY CONTRACT CLEANING BUSINESSES

The majority of BSCs service a local market only.



SOURCES FOR CLEANING PRODUCTS AND EQUIPMENT PURCHASES

56% of cleaning products and equipment are purchased through a sanitary supply distributor.



PROJECTED 2009 EQUIPMENT/SUPPLIES PURCHASES

BSCs are projected to spend over \$6 billion on janitorial supplies and equipment in 2009.

Product Categories	Projected Percent of Total Spending	Projected Product Spending
Chemicals	35%	\$2,199,729,444
Paper/Plastics	33%	\$2,074,030,619
Power Equipment	18%	\$1,131,289,428
Supplies/Accessories	11%	\$691,343,540
Other Janitorial Products	3%	\$188,548,238
Total		\$6,284,941,269

2009 MARKET SEGMENTS

BSCs expect to expand their business in a variety of markets in 2009.

Market Segments	Strong in Now	Target for Growth
Commercial (office buildings/property management firms)	78%	13%
Health Care (hospitals/nursing homes/clinics/medical/dental offices)	33%	33%
Industrial (manufacturing plants/food processing/utilities/warehouses)	33%	26%
Government (municipal, county, state, federal)	22%	33%
Religious (churches, convents, etc; EXCLUDING hospitals & schools)	21%	24%
Retail (grocery stores/shopping malls/auto dealers/department stores/misc. retail)	16%	21%
Educational (schools/colleges/universities)	16%	41%
Restaurants/Clubs (stand-alone/country clubs)	11%	19%
Recreation (sports stadiums/health clubs/movie theaters/casinos/bowling alleys)	10%	19%
Transportation (airport/public transit/airlines/bus and rail stations)	4%	22%

(*Total exceeds 100% because multiple mentions were allowed.)

ADDITIONAL PRODUCTS PURCHASED FOR CLEANING SERVICES

In addition to their standard cleaning products (i.e. floor & carpet equipment, cleaning chemicals, etc.), BSCs also purchase...

Additional Products Purchased	Percent who Purchase*
Towels/tissue/paper	76%
Hand soaps	68%
Odor control products	67%
Janitorial carts	64%
Safety signage/floor cones	55%
Towel/tissue/paper dispensers	55%
Company vehicles	50%
Hand soap dispensers	49%
Chemical dispensers/proportioning systems	47%
Pressure washing equipment	45%
Waste receptacles	41%
Restroom cleaning machines	33%
Floor mats/matting	31%
Sanitary napkin dispensers	29%
Recycling containers	25%
Time keeping systems	23%
Bidding and estimating software	20%

(*Total exceeds 100% because multiple mentions were allowed.)

SPECIAL SERVICES PROVIDED

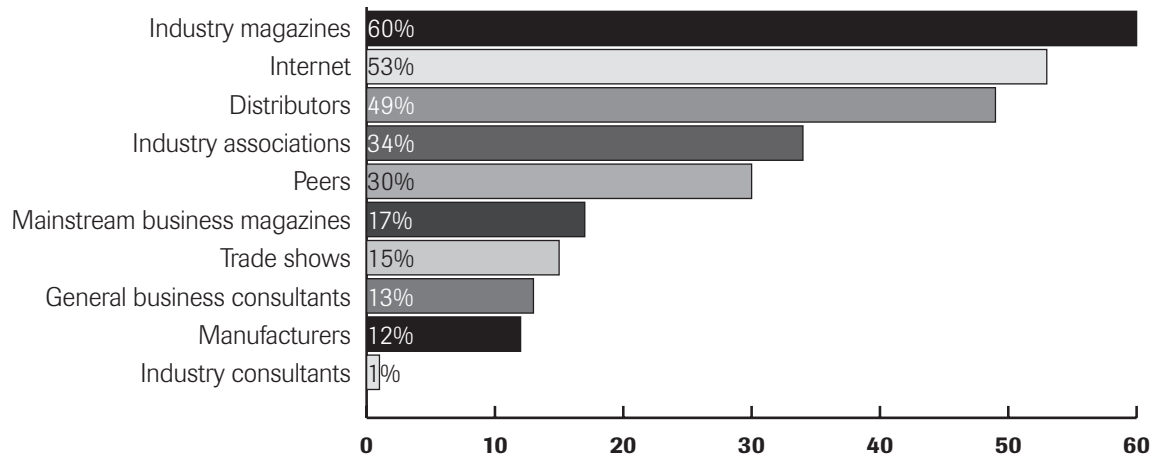
In addition to standard cleaning services, BSCs also offer...

Special Services Provided	Percent of BSC's Offering*
Restroom cleaning	81%
Floor finishes stripping/application	78%
Carpet cleaning	77%
Window cleaning	77%
Restroom restocking	65%
Stone/marble/tile care	50%
Wood floor care	46%
Drapery/upholstery cleaning	36%
Graffiti removal	34%
Recycling services	26%
Grounds care	25%
Snow/ice removal	22%
Fire/water restoration	17%
Remediation services	14%
Duct cleaning	12%

(*Total exceeds 100% because multiple mentions were allowed.)

TOP SOURCES FOR BUSINESS INFORMATION

The top 3 sources for business information were Industry Magazines, the Internet, and Distributors.



(*Total exceeds 100% because multiple mentions were allowed.)

