
The Economic Impact of Franchised Businesses: Volume IV, 2016

*The Economic Impact
of Franchised
Businesses: Volume IV,
2016*

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Part I: National and State Estimates

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The Economic Impact of Franchised Businesses

Volume IV

EXECUTIVE SUMMARY

Background—In February of 2011, PricewaterhouseCoopers LLP (PwC) released Volume III of *The Economic Impact of Franchised Businesses*, which provided measures of the total economic impact of franchised businesses in the United States for 2007. That report used data from the 2007 Economic Census and other sources to highlight the importance of franchising to the U.S. economy.

This report provides updated estimates of the total economic impact of franchised businesses for the year 2016, using more recent data from the Economic Census and other data sources. The estimates provided below pertain to the U.S. economy and the economies of the 50 states and the District of Columbia.

What Happens in Franchised Businesses—Franchised businesses (including business format and product distribution franchises) operated over 801,000 establishments in the United States in 2016, counting both establishments owned by franchisees and franchisors. These establishments represented 2.3 percent of all nonfarm business establishments in the United States. Franchised businesses directly provided nearly 9.0 million jobs, met a \$351 billion payroll, produced \$868 billion of output, and added over \$541 billion of gross domestic product (“GDP”). Franchised businesses directly accounted for 5.6 percent of all private nonfarm jobs, 3.8 percent of all private nonfarm payroll, 2.8 percent of all private nonfarm output, and 3.4 percent of private nonfarm GDP in 2016. Franchised businesses directly provided a greater number of jobs in 2016 than all manufacturers of durable goods, such as computers, cars, trucks, planes, communications equipment, primary metals, wood products, and instruments.

What Happens Because of Franchised Businesses—The economic impact of franchising goes beyond activities in franchised businesses, because franchises purchase products and services from non-franchise suppliers, and franchise owners and workers spend income earned from franchising on personal purchases. As a result of these spillover effects, in 2016, franchising directly and indirectly accounted for 16.1 million private nonfarm jobs (10.1 percent of all private nonfarm jobs) and \$0.7 trillion of private nonfarm payroll (7.7 percent of all private nonfarm payroll), \$2.1 trillion of private nonfarm output (6.8 percent of all private nonfarm output), and \$1.2 trillion of private nonfarm GDP (7.4 percent of all private nonfarm GDP).

Business Format and Product Distribution Franchising—Business format franchises sell the franchisor's product or service, with the franchisor's trademark, and operate the business according to a system provided by the franchisor. Product distribution franchises sell the franchisor's products and are supplier-dealer relationships. Business format franchising is more prevalent than product distribution franchising, accounting for almost 11 times as many establishments and more than five times as many jobs in 2016. Franchisees owned most (88 percent) of the establishments that operated under a business format franchise. Among business format franchises, Quick Service Restaurants accounted for more establishments, jobs, and payroll and produced greater output and value-added than any other single line of business in 2016. Among product distribution franchises, Automotive and Truck Dealers provided the most jobs and greatest payroll.

Franchised Businesses in States—Franchised businesses operate in all 50 states and the District of Columbia. Jobs in franchised businesses were greatest in California, Texas, and Florida in 2016. Payroll, output, and contribution to GDP of franchised businesses were also greatest in California, Texas, and Florida. Relative to the size of the statewide economy, franchising had the greatest impact on jobs in Kentucky, North Carolina, and Tennessee. Franchising accounted for the largest share of payroll in Florida and North Carolina and the largest share of GDP in Florida and Tennessee.

The Economic Impact of Franchised Businesses

Volume IV

Extended Summary of Estimates for 2016

A. Background to the Study

Introduction

This is a study of the economic impact of franchising in the United States. More particularly, it is a study of the economic activity generated by and because of franchisors and franchisees who are engaged in business format franchising and product distribution franchising.

This report supplements national-level data compiled by the U.S. Census Bureau and other sources in order to provide a more complete picture of franchising in the United States for 2016. In particular, the data were supplemented by including (1) estimates of franchising activities in additional industries not covered by the Census, (2) businesses without paid employees (so-called “nonemployers”),¹ (3) additional economic variables, and (4) estimates of the additional economic activity generated by franchised businesses through their purchases of goods and services (indirect impact) and through the personal purchases of their owners and employees (induced impacts). Results were forecast for 2016. The national-level results were allocated to the state level.

The report consists almost entirely of tables of estimates of economic impact. In all there are 60 tables: five relating to the U.S. economy [**Views US(1)-US(5)**] and 55 relating to the economies of the states and the District of Columbia [**Views S(1)-S(55)**]. The rest of the report consists of text—an **Executive Summary**, this **Extended Summary of the Results**, and an **Appendix** that addresses technical subjects.

The International Franchise Association Educational Foundation commissioned the National Economics & Statistics practice of PwC to perform the study.

Objectives

Activities *in* franchised businesses.—The first objective of this report is to estimate the amount of economic activity that occurs *in* franchised businesses. We measure the—

- Number of establishments
An establishment is a single physical location at which business is conducted or services or industrial operations are performed. A business may consist of more than one establishment. An establishment may be owned by the franchisor or the franchisee.
- Number of jobs
Jobs are positions filled by part-time and full-time employees or by self-employed individuals.

¹ Nonemployers primarily consist of self-employed individuals operating small unincorporated businesses and other independent contractors.

- Annual payroll
Payroll includes not only wages and salaries, but also commissions, vacation and sick-leave pay, fringe benefits, and all other forms of compensation, including employer contributions for employee pension and insurance funds and government social insurance. Payroll also includes proprietor's income for self-employed individuals and partnerships.
- Annual output
The output of a franchised business line is the gross value of goods and services it produces. It is a concept that is comparable to sales for most industries. In government input-output accounts, the output of goods-producing industries is measured by the value of shipments. For most other industries, output is measured by receipts or revenues from goods and services sold. A special case is the output of the wholesale and retail industries, which is measured generally as the difference between receipts or revenues and the cost of goods sold--this difference is referred to as "margin."²
- Gross Domestic Product ("GDP")
The contribution to GDP (also known as value added) of a franchised business line is the gross value of goods and services it produces less its expenditures on intermediate inputs. GDP can also be measured as the sum of compensation of employees, taxes on production and imports, and gross operating surplus, less subsidies.

We measure these economic quantities—

- For the United States, aggregating all franchised businesses in the nation
- Separately for each state and the District of Columbia, aggregating all franchised businesses in a state

Activities occurring *because of franchised businesses.*—The second objective of this report is to estimate the amount of economic activity that occurs *because of* franchised businesses. Franchised businesses purchase products and services from other businesses, which add more jobs in order to fill the orders from franchised businesses. Likewise, the employees and owners of franchised businesses and their suppliers spend their incomes on products and services from other businesses, which in turn results in more jobs and make larger payrolls.

In describing the amount of economic activity that occurs *because of* franchised businesses we combine activity *in* franchised businesses with additional activities in other businesses that occurs as a result of franchised businesses. For example, if producing \$1,000 of output of a franchised business requires \$700 of output in other businesses, we report that \$1,700 of output occurs *because of* franchised businesses. (In other economic studies the \$1,000 is sometimes called the "direct output impact," the \$700 is called the "indirect output impact" or "spillover effect," and the \$1,700 is called the "total output impact.")

Including direct and indirect effects, we estimate the—

- Number of jobs filled because of franchised businesses
- Size of payrolls met because of franchised businesses
- Value of output produced because of franchised businesses
- Total contribution to GDP made because of franchised businesses

² Several franchising lines of businesses (Automobile & Truck Dealers, Gasoline Service Stations without Convenience Stores, and Retail Food) are pure retailers. Two other lines (Automotive and Retail Products & Services) partly belong to the wholesale and retail industries.

We report these economic quantities—

- For the United States, and
- Separately for each state and the District of Columbia

Detail by business model, line of business, and ownership.—The other objectives of this report are to—

- Differentiate the economic contributions of companies that follow the product distribution franchise model from those that follow the business format franchise model.
- Differentiate, among business format franchises, the contributions of franchisor-owned establishments and franchisee-owned establishments.
- Estimate economic activity in franchised businesses operating in 13 lines of business. **Table 1** on page I-5, below, lists the 13 lines of business. A detailed crosswalk that links lines of business with codes in the North American Industrial Classification System is in the **Appendix**.

Methodology

Data processing required.—To derive the statistics in this report we have combined and processed data from several different sources.

Measuring activity *in* franchised businesses.—We use three databases that contain different types of economic information about business establishments in every industry and every county of the country:

- *The Quarterly Census of Employment and Wages* (QCEW), produced by the U.S. Bureau of Labor Statistics
- *Nonemployer Statistics* (NES), produced by the U.S. Bureau of the Census
- *The IMPLAN Model* (IMPLAN)

Used together, these databases provide a systematic, comprehensive, and detailed accounting of establishments, jobs, payroll, output, and GDP. However, they do not identify which establishments are franchised businesses and which are not. Therefore we merge the databases with four other sources that indicate franchising activity—namely,

- *The 2012 Economic Census*, produced by the U.S. Bureau of the Census
- *The 2012 Survey of Business Owners*, produced by the U.S. Bureau of the Census
- *Dun & Bradstreet's Marketing Database*
- *Franchise Disclosure Document* information compiled by FRANdata

We use the latest version of each government data source available (2015 for QCEW and 2014 for NES), forecasted through 2016 using data from the Bureau of Labor Statistics. We first develop national-level estimates by franchised business line and then allocate these estimates across the 50 states and the District of Columbia.

Our technical procedures are described in greater detail in the **Appendix** to this report.

Measuring activity occurring *because of* franchised businesses.—We used the IMPLAN economic modeling system to estimate the additional economic activity that occurs outside of franchised businesses because of the economic activity that occurs in franchised businesses. IMPLAN is a well-known tool of its kind and shares the same fundamental modeling framework as the Regional Input-Output Modeling System developed by the U.S. Department of Commerce.

IMPLAN is built around an “input-output” table which shows the purchases that each industry has made from other industries in past years. When economic activity occurs *in* a franchised business, purchases are made in other industries according to the patterns recorded in the input-output table. These purchases in turn trigger still more purchases, and so on. Meanwhile, employees and business owners make personal purchases out of the additional income that is generated by this process, sending additional demand rippling through the input-output table. The model provides a consistent framework to trace such spillover effects and to estimate the jobs, payroll, output, and contribution to GDP that occurs throughout the economy *because of* franchised businesses.

Note on Comparability with Previous Estimates.— In February 2004, PwC released Volume I of *The Economic Impact of Franchised Businesses*, which provided measures of the total economic impact of franchised businesses in the United States using data for the year 2001. That report used data from *County Business Patterns*, *Nonemployer Statistics*, Dun & Bradstreet’s *MarketPlace*, and the IMPLAN model to estimate the economic activity directly and indirectly attributable to franchised businesses. Volume II of the study, released in January 2008, used the same data sources and methodology to estimate the total economic impact of franchised businesses for the year 2005. Volume III, which provided estimates for 2007, relied on data from the *2007 Economic Census Franchise Report*, which was published for the first time in 2007.

Due to major changes in the underlying data sets and methodologies used in this report, the estimates contained in this report are not comparable to previous volumes of the study. In particular, as described in the appendix, the current estimates supplement the Economic Census data by incorporating more recent data and information from the QCEW, Nonemployer Statistics, FRANdata, and D&B. Furthermore, the current study uses revised business line definitions that remove some industries included in the earlier studies. It was determined that these industries were unlikely to have a significant number of franchised business establishments.

Table 1. – Lines of Business

<i>Business Format Franchising</i>	
1. Automotive	Includes motor vehicle parts and supply stores, tire dealers, automotive equipment rental and leasing, and automotive repair and maintenance
2. Commercial and Residential Services	Includes residential remodelers, special trade contractors, facilities support services, services to buildings and dwellings, and waste management and remediation services
3. Quick Service Restaurants	Includes limited-service eating places, cafeterias, fast-food restaurants, beverage bars, ice cream parlors, pizza delivery establishments, carryout sandwich shops, and carryout service shops with on-premises baking of donuts, cookies, and bagels
4. Table/Full Service Restaurants	
5. Retail Food	Includes food and beverage stores, convenience stores (with or without a gas station), food service contractors, caterers, retail bakeries, and beer, wine, and liquor stores
6. Lodging	Includes hotels, motels, and other accommodations
7. Real Estate	Includes real estate agents and brokers, lessors of self-storage units, property management and other related activities
8. Retail Products and Services	Includes furniture and home furnishings stores, electronics and appliance stores, building material and garden equipment and supplies dealers, health and personal care stores, clothing and general merchandise stores, florists and gift stores, consumer goods rentals, photographic services, and book and music stores
9. Business Services	Includes printing, business transportation, data processing services, insurance agencies and brokerages, office administrative services, employment services, investigation and security services, tax preparation and payroll services, and heavy equipment leasing
10. Personal Services	Includes educational services, home health care, entertainment and recreation, personal and laundry services, veterinary services, loan brokers, and personal transportation
<i>Product Distribution Franchising</i>	
11. Automotive and Truck Dealers	
12. Gasoline Service Stations without Convenience Stores	
13. Beverage Bottling	Includes soft drink and bottled water manufacturing, beer and ale wholesalers

B. Franchising in the United States in 2016: Measures of Economic Significance

< Detailed estimates for this section are in Views US(1) – US(5) >

Economic Activity In Franchised Businesses

There were an estimated 801,153 establishments in business format and product distribution franchise systems in the United States in 2016. **[View US(1)]** These businesses directly—

- Provided nearly 9.0 million jobs
- Met an annual payroll of \$351.1 billion
- Produced output worth \$868.1 billion
- Contributed \$541.1 billion to GDP

These businesses accounted for 2.3 percent of all U.S. nonfarm business establishments. Their economic activity accounted for—

- 5.6 percent of all private nonfarm jobs
- 3.8 percent of all private nonfarm payrolls
- 2.8 percent of all private nonfarm output
- 3.4 percent of all private nonfarm GDP

As a point of reference, franchised businesses are estimated to provide about the same number of jobs in the United States in 2016 as the real estate and rental and leasing industry and a greater number of jobs than manufacturers of durable goods.³

Looking at other points of reference, franchised businesses are estimated to provide more jobs in 2016 than the following industries: wholesale trade; transportation and warehousing; nondurable goods manufacturing; and information (including software and print publishing, motion pictures and videos, radio and television broadcasting, and telecommunications carriers and resellers). Of the sectors shown below, only finance and insurance provided more jobs than franchised businesses (see **Table 2**).

Table 2. – Estimated Jobs by Selected Economic Sector in 2016

Financial and insurance	10,191,600
Franchised businesses	8,968,000
Real estate and rental and leasing	8,461,900
Durable goods manufacturing	8,181,800
Wholesale trade	6,554,900
Transportation and warehousing	6,537,700
Nondurable goods manufacturing	4,963,600
Information	3,363,300

*Source: PwC projections of data from the U.S. Bureau of Economic Analysis
for sectors other than franchised businesses.*

³ Durable goods include computers, engines and other industrial equipment and machinery; communications, lighting and other electronic equipment; cars, trucks, planes, and other transportation equipment; hardware, stampings, and other fabricated metal products; basic steel and other primary metals; lumber and wood products; medical, controlling, and other instruments; furniture and fixtures; and stone, clay, and glass products.

Economic Activity Because of Franchised Businesses

The economic significance of franchising is greater than indicated by the activity in franchised businesses alone, because activities in many non-franchised businesses occur as a result of franchised businesses.

[View US(2)] Counting economic results both inside and outside of franchising, franchised businesses in the United States were responsible for an estimated—

- 16.1 million private nonfarm jobs, or 10.1 percent of the total
- \$723.2 billion of private nonfarm payroll, or 7.7 percent of the total
- \$2.1 trillion of private nonfarm output, or 6.8 percent of the total
- \$1.2 trillion of private nonfarm GDP, or 7.4 percent of the total

The ratios of activity caused by franchised businesses to activity in franchised businesses (i.e., the “multipliers”) are 1.79 for jobs, 2.06 for payroll, 2.40 for output, and 2.21 for GDP. To use a very round approximation, economic activity in franchised businesses stimulates about an equal amount of additional activity in non-franchised businesses.

Business Model and Lines of Business

Overview.—Comparing business format to product distribution franchising in 2016 **[View US(3)]** —

- Nearly 11 times as many establishments operated under the business format model
- Business format franchising provided more than five times as many jobs
- Business format franchising generated more than three times the payroll
- Business format franchising produced nearly four times as much output
- Business format franchising contributed three times as much to GDP

Business format franchising was the model used by 732,842 establishments (2.1 percent of all business establishments). These establishments provided 7.6 million jobs (4.8 percent of all private nonfarm jobs), \$269.9 billion in payroll (2.9 percent of the total), \$674.3 billion of output (2.2 percent of the total), and \$404.6 billion of GDP in 2016 (2.5 percent of the total).

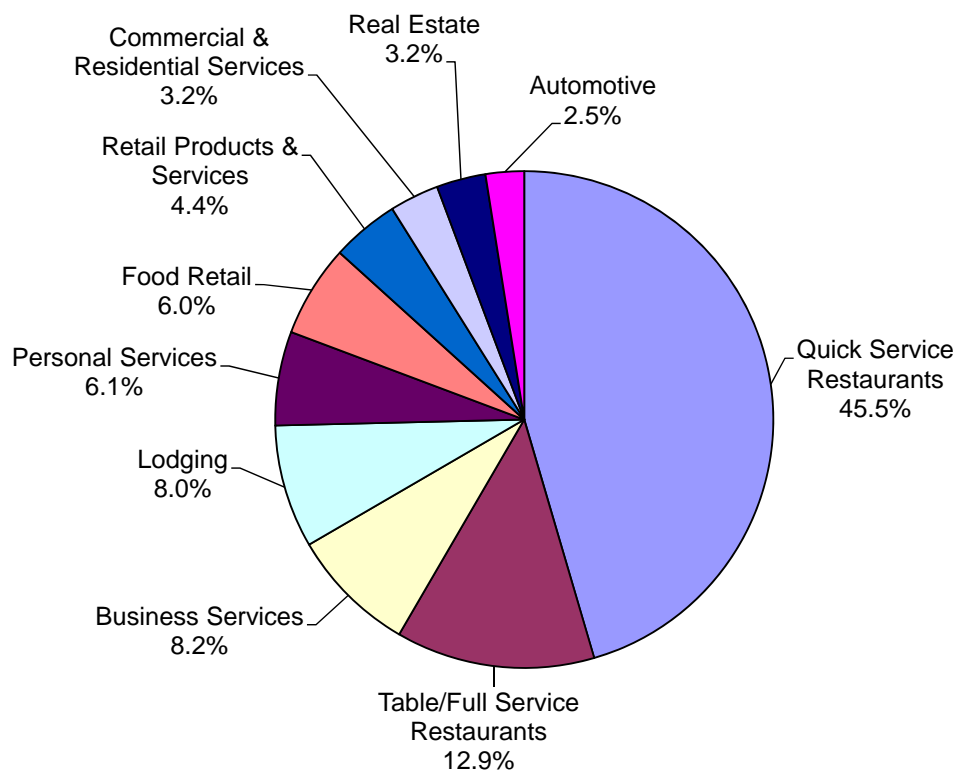
Product distribution franchising was the model used by 68,311 establishments (0.2 percent of all business establishments), which provided 1.3 million jobs (0.8 percent of all private nonfarm jobs), \$81.2 billion in payroll (0.9 percent of the total), \$193.7 billion of output (0.6 percent of the total), and \$136.5 billion of GDP in 2016 (0.8 percent of the total).

Taking the broader view and including economic activity that exists *because of* business format franchised businesses, 13.3 million private nonfarm jobs were provided, \$565.8 billion in private nonfarm payroll was paid out, \$1.6 trillion of private nonfarm output was produced, and \$925.9 billion of private nonfarm GDP was generated. Likewise, because of product distribution franchises, 2.8 million private nonfarm jobs were provided, \$157.4 billion in private nonfarm payroll was paid out, \$437.6 billion of private nonfarm output was produced, and \$269.7 billion of private nonfarm GDP was generated.

Business Format Franchising.—Business format franchising is economically significant in ten lines of business – Quick Service Restaurants, Table/Full Service Restaurants, Business Services, Lodging, Personal Services, Food Retail, Retail Products and Services, Commercial and Residential Services, Real Estate, and Automotive. **View US(4)** provides estimates of economic activity in franchised businesses in each of the ten business format lines of business, sorted by direct jobs.

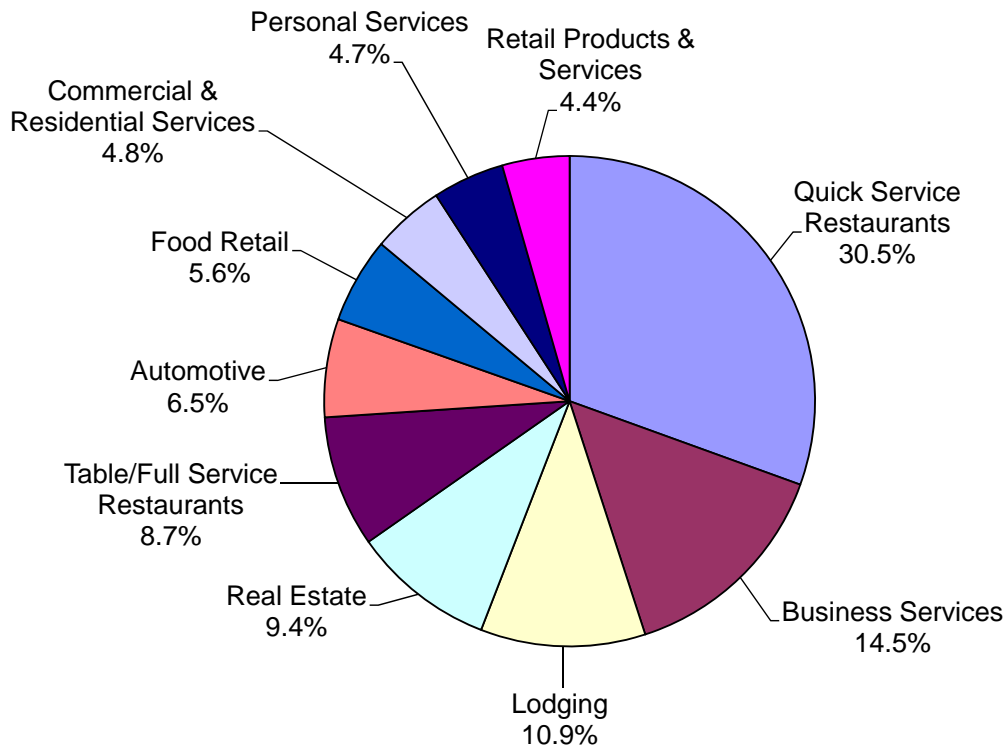
- Quick Service Restaurants provided more establishments, jobs, and payroll and generated more output and contributed more to GDP than any other single line of business (45.5 percent of all jobs in business format franchises – see **Figure 1**); followed by Table/Full Service Restaurants (12.9 percent of all jobs in business format franchises) and Business Services (8.2 percent of all jobs in business format franchises).

Figure 1. Distribution of Jobs in Business Format Franchises, 2016



- Quick Service restaurants accounted for 30.5 percent of all GDP produced in business format franchises (see **Figure 2**); followed by Business Services (14.5 percent of all GDP in business format franchises), Lodging (10.9 percent of all GDP in business format franchises), and Real Estate (9.4 percent of all GDP in business format franchises).

Figure 2. Distribution of GDP in Business Format Franchises, 2016



- Judged by the ratio of franchised establishments to all establishments in a line of business, franchising was the most significant contributor in Quick Service Restaurants (53.1 percent), Lodging (21.1 percent), Table/Full Service Restaurants (10.7 percent), and Retail Food (7.8 percent).
- The same four lines were also at the top when comparing the ratio of jobs in franchised businesses to jobs in all companies operating in a line of business: Quick Service Restaurants (68.5 percent), Lodging (29.1 percent), Table/Full Service Restaurants (18.0 percent) and Retail Food (8.0 percent).
- Most establishments (approximately 88 percent) that use the business format model were owned by the franchisee; 12 percent were owned by the franchisor. Franchisee-owned establishments outnumbered company-owned establishments in every line of business.
- Similarly, franchisee-owned establishments provided more jobs (81 percent of jobs in business format franchising), payroll (80 percent), output (81 percent), and GDP (81 percent) than franchisor-owned establishments.

Product Distribution Franchising.—Product distribution franchising was economically significant in three lines of business – Automotive and Truck Dealers, Gasoline Service Stations without Convenience Stores, and Beverage Bottling. **[View US(5)]**

The Automotive and Truck Dealer line of business accounted for more establishments, provided more jobs, supported a greater payroll, and generated more output and contributed more to GDP than any other single line of business in product distribution franchising.

Judged by the ratio of franchised activity to all activity in a line of business, product distribution franchises dominated in the Automotive and Truck Dealers line of business, accounting for 29.6 percent of all business establishments and 73.8 percent of all jobs in this line of business. Franchising accounted for 29.1 percent of establishments and 31.7 percent of all jobs in the Gasoline Service Stations without Convenience Store line of business. Franchising accounted for 3.9 percent of establishments and 5.1 percent of all jobs in the Beverage Bottling line of business.

C. Franchising in the States in 2016: Measures of Economic Significance

< Detailed estimates for this section are in Views S(1) – S(106) >

Jobs

The number of jobs *in* franchised businesses in 2016 was greatest in California, Texas, Florida, Illinois, and Ohio. The number of jobs provided *because* of franchised businesses was greatest in California (1,663,000), Texas (1,347,600), Florida (1,138,800), Illinois (695,800), and New York (695,500). **[View S(1)]**

Considered relative to the size of a state's economy, franchising had the greatest impact on jobs in Kentucky. Jobs filled because of franchised businesses were 13.4 percent of Kentucky's private nonfarm workforce. North Carolina, Tennessee, North Dakota, and Missouri round out the top five states in terms of the percentage impact of franchising on jobs in the state.

Jobs provided *because* of franchised businesses were at least 10 percent of the private nonfarm workforce in 33 states and at least 6 percent of the private nonfarm workforce in every state except the District of Columbia.

Payroll

The impact of franchising on payrolls in the states was similar to its impact on jobs in 2016. The payrolls met *in* franchised businesses were greatest in California, Texas, Florida, New York, and Illinois. Payroll distributed *because* of franchised businesses was greatest in California (\$84.7 billion), Texas (\$62.3 billion), Florida (\$47.0 billion), New York (\$41.7 billion), and Illinois (\$34.3 billion). **[View S(2)]**

Considered relative to the size of a state's economy, franchising had the greatest impact on payrolls in Florida, where payroll distributed *because* of franchised businesses was 10.4 percent of Florida's private nonfarm payroll. This percentage was also relatively high in North Carolina, Kentucky, and Nevada.

Payroll distributed *because* of franchised businesses was at least 8 percent of private nonfarm payroll in 26 states.

Output

In 2016, the value of output produced *in* franchised businesses was greatest in California, Texas, Florida, New York, and Illinois. The value of output produced *because* of franchised businesses was greatest in California (\$234.8 billion), Texas (\$185.4 billion), Florida (\$132.2 billion), New York (\$107.1 billion), and Illinois (\$97.1 billion). **[View S(3)]**

Franchising was especially important to output in Florida and North Carolina. Output produced *because* of franchised businesses was at its highest in these states when gauged against all private nonfarm output in those states.

Overall, output produced *because* of franchised businesses was at least 7 percent of private nonfarm output in 22 states.

GDP

As with output, the contribution to GDP made *in* franchised businesses was greatest in California, Texas, Florida, New York, and Illinois in 2016. The contribution to GDP made *because* of franchised businesses was greatest in California (\$142.0 billion), Texas (\$104.4 billion), Florida (\$77.9 billion), New York (\$69.8 billion), and Illinois (\$56.8 billion). **[View S(4)]**

Franchising was especially important to GDP in Florida and Tennessee, where the contribution to GDP made *because* of franchised businesses was, respectively, 10.1 percent and 9.4 percent of all private nonfarm GDP.

Overall, the contribution to GDP made *because* of franchised businesses was at least 7 percent of private nonfarm output in 39 states. The contribution to GDP made *because* of franchised businesses was at least 5 percent of a state's private nonfarm GDP in every state except Alaska and the District of Columbia.

Business Model and Ownership

Details concerning the respective economic activities in and because of business format and product distribution franchising and in franchisee-owned establishments and franchisor-owned establishments are shown in **Views S(5) – S(55)**. There is a separate view for each state and the District of Columbia. The views are ordered alphabetically.

Relationships observed at the national level also occur at the state level. In *every* state—

- There were more establishments operating under the business format model than the product distribution model. Business format franchising also provided more jobs than product distribution franchising.
- Franchisee-owned establishments outnumbered franchisor-owned establishments and also provided more jobs.

National Views

VIEW US(1)

The Economic Impact of Franchised Businesses

DIRECT CONTRIBUTIONS TO THE U.S. ECONOMY, 2016

	In Franchised Businesses	Percent of U.S. Nonfarm Private Sector
Jobs	8,968,000	5.6 %
Payroll	\$ 351.1 billion	3.8 %
Output	\$ 868.1 billion	2.8 %
GDP	\$ 541.1 billion	3.4 %
Establishments	801,153	2.3 %

- There were 801,153 franchised business establishments in the United States in 2016.
- Franchised businesses provided 8,968,000 jobs, or 5.6 percent of the U.S. private non-farm workforce in 2016.
- Franchised businesses supplied an annual payroll of \$351.1 billion, or 3.8 percent of all private non-farm payrolls in the United States in 2016.
- Franchised business produced goods and services worth \$868.1 billion, or 2.8 percent of private non-farm output in the United States in 2016.
- Gross Domestic Product (GDP) of franchise businesses totaled \$541.1 billion, or 3.4 percent of all private non-farm GDP in the United States in 2016.
- We include in “franchised businesses” all those establishments that are part of a franchise system – those businesses owned by franchisees and those owned by the franchisor.

VIEW US(2)

The Economic Impact of Franchised Businesses

TOTAL CONTRIBUTIONS TO THE U.S. ECONOMY, 2016

	Because of Franchised Businesses	Percent of U.S. Nonfarm Private Sector
Jobs	16,077,500	10.1 %
Payroll	\$ 723.2 billion	7.7 %
Output	\$ 2.08 trillion	6.8 %
GDP	\$ 1.20 trillion	7.4 %

- Franchised businesses demand products and services from other businesses and provide income to their workers and owners, who then spend their income and create still more income for other parties. As this cycle repeats, the jobs, payroll, output, and GDP that exist because of franchised businesses grow beyond the jobs, payroll output, and GDP that are in franchised businesses alone.
- Franchised businesses were the cause of over 16 million jobs, or 10.1 percent of all U.S. private non-farm employment in 2016.
- Franchised businesses were the cause of \$723.2 billion of annual payrolls, or 7.7 percent of all private non-farm payrolls in the United States in 2016.
- Franchised businesses were the cause of \$2.1 trillion of annual output, or 6.8 percent of all private non-farm output in the United States in 2016.
- Franchised businesses were the cause of \$1.2 trillion in GDP, or 7.4 percent of all private non-farm GDP in the United States in 2016.

The Economic Impact of Franchised Businesses

**BUSINESS FORMAT AND PRODUCT DISTRIBUTION FRANCHISES
IN THE UNITED STATES, 2016**

In Franchised Businesses

	<u>Business Format</u>	<u>Product Distribution</u>	<u>Percent Contributed by Business Format</u>	<u>Percent Contributed by Product Distribution</u>
Jobs	7,636,000	1,332,000	85.1 %	14.9 %
Payroll	\$ 269.9 billion	\$ 81.2 billion	76.9 %	23.1 %
Output	\$ 674.3 billion	\$ 193.7 billion	77.7 %	22.3 %
GDP	\$ 404.6 billion	\$ 136.5 billion	74.8 %	25.2 %
Establishments	732,842	68,311	91.5 %	8.5 %

Because of Franchised Businesses

	<u>Business Format</u>	<u>Product Distribution</u>	<u>Percent Contributed by Business Format</u>	<u>Percent Contributed by Product Distribution</u>
Jobs	13,271,300	2,806,200	82.5 %	17.5 %
Payroll	\$ 565.8 billion	\$ 157.4 billion	78.2 %	21.8 %
Output	\$ 1,641.7 billion	\$ 437.6 billion	79.0 %	21.0 %
GDP	\$ 925.9 billion	\$ 269.7 billion	77.4 %	22.6 %

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

- Business format franchising accounted for 732,842 establishments and product distribution franchising accounted for an additional 68,311 establishments in the United States in 2016.
- Business format franchising provides 7.6 million jobs in 2016, or nearly six times as many as product distribution franchising.
- Business format franchising was the cause of 13.3 million private non-farm jobs in the United States.
- Product distribution franchising was the cause of 2.8 million private non-farm jobs in the United States.

The Economic Impact of Franchised Businesses

**LINES OF BUSINESS AND OWNERSHIP OF
BUSINESS FORMAT FRANCHISES IN THE UNITED STATES, 2016**

	<u>Jobs</u>	<u>Payroll</u>	<u>Output</u>	<u>GDP</u>	<u>Establishments</u>
<u>Quick Service Restaurants</u>					
Franchisor owned	525,400	\$ 15.7 billion	\$ 38.3 billion	\$ 21.2 billion	24,429
Franchisee owned	2,946,600	\$ 75.8 billion	\$ 184.3 billion	\$ 102.3 billion	162,547
Total	3,472,000	\$ 91.6 billion	\$ 222.6 billion	\$ 123.5 billion	186,977
% of line of business	68.5 %	N/A	N/A	N/A	53.1 %
<u>Table/Full Service Restaurants</u>					
Franchisor owned	241,100	\$ 4.5 billion	\$ 10.9 billion	\$ 6.0 billion	7,783
Franchisee owned	744,700	\$ 21.5 billion	\$ 52.3 billion	\$ 29.0 billion	23,115
Total	985,800	\$ 26.0 billion	\$ 63.2 billion	\$ 35.1 billion	30,898
% of line of business	18.1 %	N/A	N/A	N/A	10.7 %
<u>Business Services</u>					
Franchisor owned	242,400	\$ 17.3 billion	\$ 35.8 billion	\$ 22.6 billion	10,679
Franchisee owned	385,500	\$ 27.5 billion	\$ 56.9 billion	\$ 36.0 billion	94,530
Total	627,900	\$ 44.8 billion	\$ 92.6 billion	\$ 58.6 billion	105,209
% of line of business	3.0 %	N/A	N/A	N/A	2.2 %

The Economic Impact of Franchised Businesses

LINES OF BUSINESS AND OWNERSHIP OF BUSINESS FORMAT FRANCHISES IN THE UNITED STATES, 2016

	<u>Jobs</u>	<u>Payroll</u>	<u>Output</u>	<u>GDP</u>	<u>Establishments</u>
<u>Lodging</u>					
Franchisor owned	44,700	\$ 1.9 billion	\$ 4.9 billion	\$ 3.2 billion	1,909
Franchisee owned	567,600	\$ 23.7 billion	\$ 62.9 billion	\$ 40.7 billion	25,809
Total	612,200	\$ 25.5 billion	\$ 67.8 billion	\$ 43.9 billion	27,718
% of line of business	29.1 %	N/A	N/A	N/A	21.1 %
<u>Personal Services</u>					
Franchisor owned	38,600	\$ 1.5 billion	\$ 2.7 billion	\$ 1.6 billion	5,323
Franchisee owned	428,200	\$ 16.2 billion	\$ 30.2 billion	\$ 17.5 billion	101,454
Total	466,800	\$ 17.6 billion	\$ 33.0 billion	\$ 19.1 billion	106,777
% of line of business	3.4 %	N/A	N/A	N/A	1.7 %
<u>Food Retail</u>					
Franchisor owned	146,200	\$ 5.6 billion	\$ 11.7 billion	\$ 7.4 billion	16,511
Franchisee owned	311,100	\$ 11.2 billion	\$ 24.8 billion	\$ 15.4 billion	35,757
Total	457,300	\$ 16.8 billion	\$ 36.4 billion	\$ 22.9 billion	52,268
% of line of business	8.0 %	N/A	N/A	N/A	7.8 %

The Economic Impact of Franchised Businesses

**LINE OF BUSINESS AND OWNERSHIP OF
BUSINESS FORMAT FRANCHISES IN THE UNITED STATES, 2016**

	<u>Jobs</u>	<u>Payroll</u>	<u>Output</u>	<u>GDP</u>	<u>Establishments</u>
<u>Retail Products & Services</u>					
Franchisor owned	102,300	\$ 3.4 billion	\$ 8.9 billion	\$ 5.5 billion	12,807
Franchisee owned	233,000	\$ 7.8 billion	\$ 20.2 billion	\$ 12.5 billion	46,660
Total	335,300	\$ 11.2 billion	\$ 29.1 billion	\$ 17.9 billion	59,467
% of line of business	3.6 %	N/A	N/A	N/A	2.8 %
<u>Commercial & Residential Services</u>					
Franchisor owned	27,200	\$ 1.8 billion	\$ 4.7 billion	\$ 2.2 billion	2,515
Franchisee owned	217,100	\$ 14.7 billion	\$ 37.5 billion	\$ 17.2 billion	62,310
Total	244,300	\$ 16.5 billion	\$ 42.2 billion	\$ 19.3 billion	64,825
% of line of business	2.0 %	N/A	N/A	N/A	1.4 %
<u>Real Estate</u>					
Franchisor owned	22,900	\$ 0.5 billion	\$ 4.5 billion	\$ 3.6 billion	3,276
Franchisee owned	220,600	\$ 4.7 billion	\$ 43.2 billion	\$ 34.5 billion	58,317
Total	243,600	\$ 5.2 billion	\$ 47.7 billion	\$ 38.1 billion	61,593
% of line of business	5.1 %	N/A	N/A	N/A	3.5 %

The Economic Impact of Franchised Businesses

**LINES OF BUSINESS AND OWNERSHIP OF
BUSINESS FORMAT FRANCHISES IN THE UNITED STATES, 2016**

	<u>Jobs</u>	<u>Payroll</u>	<u>Output</u>	<u>GDP</u>	<u>Establishments</u>
<u>Automotive</u>					
Franchisor owned	36,100	\$ 2.8 billion	\$ 7.5 billion	\$ 5.0 billion	3,253
Franchisee owned	154,700	\$ 11.9 billion	\$ 32.2 billion	\$ 21.2 billion	33,856
Total	190,800	\$ 14.6 billion	\$ 39.7 billion	\$ 26.2 billion	37,109
% of line of business	7.7 %	N/A	N/A	N/A	5.3 %
<u>All Business Format Franchises</u>					
Franchisor owned	1,426,800	\$ 54.9 billion	\$ 129.8 billion	\$ 78.3 billion	88,487
Franchisee owned	6,209,200	\$ 215.0 billion	\$ 544.5 billion	\$ 326.3 billion	644,355
Total	7,636,000	\$ 269.9 billion	\$ 674.3 billion	\$ 404.6 billion	732,842

N/A indicates data not available because there are no direct data on industry totals by line of business for the economic measure.

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

- Business format franchising is economically significant in 10 lines of business.
- In total, and in every line of business, there are more establishments that are owned by franchisees than by franchisors.
- Quick Service Restaurants accounted for more establishments and jobs, met greater payroll, and produced greater output and GDP than any other single business format line of business.
- Franchised Quick Service Restaurants account for 68.5 percent of all jobs in the Quick Service Restaurant line of business. This is the largest percentage of franchised jobs within any business format line of business.

The Economic Impact of Franchised Businesses

**LINES OF BUSINESS IN PRODUCT DISTRIBUTION FRANCHISES
IN THE UNITED STATES, 2016**

	<u>Jobs</u>	<u>Payroll</u>	<u>Output</u>	<u>GDP</u>	<u>Establishments</u>
<u>Automotive & Truck Dealers</u>					
Total	1,280,700	\$ 78.5 billion	\$ 176.8 billion	\$ 131.9 billion	64,155
% of line of business	73.8 %	N/A	N/A	N/A	29.6 %
<u>Gasoline Service Stations without Convenience Stores¹</u>					
Total	35,500	\$ 1.4 billion	\$ 2.8 billion	\$ 1.8 billion	3,625
% of line of business	31.7 %	N/A	N/A	N/A	29.1 %
<u>Beverage Bottling</u>					
Total	15,800	\$ 1.3 billion	\$ 14.1 billion	\$ 2.8 billion	531
% of line of business	5.1 %	N/A	N/A	N/A	3.9 %
<u>All Product Distribution Franchises</u>					
Total	1,332,000	\$ 81.2 billion	\$ 193.7 billion	\$ 136.5 billion	68,311

N/A indicates data not available because there are no direct data on industry totals by line of business for the economic measure.

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

¹Gas stations with convenience stores are included in Retail Food.

- Product distribution franchising is economically significant in three lines of business.
- Automotive and Truck Dealers provide more jobs, meet a greater payroll, and generate more output and GDP than any other single Product Distribution line of business.

State Views**VIEW S(1)*****Economic Impact of Franchised Businesses*****FRANCHISING AND JOBS IN THE STATES, 2016**

State	In Franchised Businesses	Because of Franchised Businesses	Jobs Caused by Franchising as Percent of State Jobs
Alabama	144,600	241,400	11.6%
Alaska	17,700	30,500	8.5%
Arizona	182,300	335,300	11.1%
Arkansas	93,700	152,900	11.8%
California	867,500	1,663,000	8.6%
Colorado	171,200	314,900	10.7%
Connecticut	103,000	188,300	9.6%
Delaware	28,900	49,500	10.5%
District of Columbia	14,200	26,900	4.5%
Florida	613,700	1,138,800	11.7%
Georgia	315,600	564,300	11.6%
Hawaii	36,200	63,900	9.1%
Idaho	51,500	85,600	11.1%
Illinois	372,200	695,800	10.5%
Indiana	222,100	369,300	11.5%
Iowa	109,500	181,500	10.9%
Kansas	100,300	167,500	11.1%
Kentucky	168,200	265,000	13.4%
Louisiana	137,000	228,000	10.2%
Maine	33,500	62,400	9.0%
Maryland	168,900	291,300	9.9%
Massachusetts	141,800	277,700	7.1%
Michigan	297,800	518,000	10.9%
Minnesota	175,200	323,800	10.5%
Mississippi	89,700	143,700	11.8%
Missouri	207,500	365,700	12.1%
Montana	35,300	59,300	11.3%
Nebraska	71,400	120,100	11.6%

Nevada	84,900	151,800	10.4%
New Hampshire	35,100	67,100	8.9%
New Jersey	206,500	389,800	8.7%
New Mexico	63,600	101,000	12.0%
New York	358,000	695,500	6.8%
North Carolina	339,100	594,100	12.8%
North Dakota	35,600	56,600	12.2%
Ohio	368,300	649,700	11.1%
Oklahoma	113,100	191,100	10.7%
Oregon	100,800	187,900	9.3%
Pennsylvania	328,000	612,800	9.5%
Rhode Island	21,700	41,500	7.8%
South Carolina	148,200	246,500	11.5%
South Dakota	32,100	51,400	11.1%
Tennessee	230,100	398,500	12.2%
Texas	748,100	1,347,600	9.9%
Utah	75,400	142,500	9.4%
Vermont	14,300	27,200	7.6%
Virginia	278,600	468,200	11.7%
Washington	166,600	305,400	9.0%
West Virginia	52,200	81,900	11.4%
Wisconsin	176,900	313,700	10.3%
Wyoming	20,400	31,400	10.3%
U.S. Total	8,968,000	16,077,500	10.1%

Note: Details may not add to totals due to rounding.

- The number of people employed because of franchised businesses is greatest in California, Texas, Florida, Illinois, and New York.
- Franchising has the greatest percentage impact on jobs in Kentucky—jobs held because of franchising are 13.4 percent of Kentucky’s private-sector workforce. North Carolina, Tennessee, North Dakota, and Missouri are close to the top in terms of the percentage impact of franchising on jobs in the State.
- Employment caused by franchising is at least 10 percent of a State’s private-sector workforce in 33 States and at least 6 percent of private nonfarm employment in every state except the District of Columbia.

VIEW S(2)***Economic Impact of Franchised Businesses*****FRANCHISING AND PAYROLLS IN THE STATES, 2016**

State	In Franchised Businesses (in \$ millions)	Because of Franchised Businesses (in \$ millions)	Payroll Caused by Franchising as Percent of State Payroll
Alabama	\$ 4,777.7	\$ 8,906.8	8.7%
Alaska	822.3	1,581.5	6.1%
Arizona	7,332.6	14,386.4	9.2%
Arkansas	2,923.2	5,456.4	8.9%
California	38,021.7	84,690.5	7.1%
Colorado	6,759.5	14,285.1	8.4%
Connecticut	5,534.5	11,104.2	7.6%
Delaware	1,329.7	2,507.9	8.3%
District of Columbia	1,011.2	2,190.2	3.7%
Florida	23,916.8	47,027.8	10.4%
Georgia	11,299.0	23,297.0	9.2%
Hawaii	1,791.5	3,134.3	7.6%
Idaho	1,517.6	2,846.7	8.7%
Illinois	15,969.5	34,286.9	8.1%
Indiana	7,108.5	13,856.7	8.1%
Iowa	3,467.1	6,752.5	7.8%
Kansas	3,358.6	6,540.3	8.0%
Kentucky	5,297.5	9,547.9	9.6%
Louisiana	4,992.3	9,292.1	7.6%
Maine	1,217.3	2,463.1	7.6%
Maryland	7,291.7	14,107.7	7.8%
Massachusetts	6,522.5	15,597.3	5.5%
Michigan	10,120.4	20,523.0	8.0%
Minnesota	6,495.5	14,386.5	7.9%
Mississippi	2,888.1	5,048.1	9.1%
Missouri	7,392.7	14,949.4	9.2%
Montana	1,131.3	2,050.8	9.1%

Nebraska	2,422.9	4,732.8	8.6%
Nevada	3,844.3	6,877.2	9.5%
New Hampshire	1,576.0	3,243.6	7.5%
New Jersey	9,907.9	21,529.4	6.8%
New Mexico	2,125.9	3,674.1	8.9%
New York	18,216.6	41,716.6	5.5%
North Carolina	12,677.2	24,544.0	10.3%
North Dakota	1,481.2	2,517.9	9.4%
Ohio	12,735.2	26,702.3	8.2%
Oklahoma	3,971.6	7,796.6	7.5%
Oregon	4,021.9	8,115.7	7.9%
Pennsylvania	13,168.1	28,794.5	7.2%
Rhode Island	932.6	1,992.8	6.4%
South Carolina	4,902.8	8,981.2	9.0%
South Dakota	979.6	1,801.6	8.3%
Tennessee	8,684.6	16,977.5	9.4%
Texas	29,369.8	62,312.6	7.3%
Utah	2,765.5	5,723.0	7.7%
Vermont	553.3	1,115.9	6.5%
Virginia	10,968.2	21,472.5	8.7%
Washington	7,367.2	15,125.8	7.2%
West Virginia	1,638.8	2,949.0	7.7%
Wisconsin	5,837.1	12,466.6	7.5%
Wyoming	705.5	1,224.2	6.9%
U.S. Total	\$ 351,144.4	\$ 723,204.2	7.7%

Note: Details may not add to totals due to rounding.

- Payrolls met because of franchised businesses are greatest in California, Texas, Florida, New York, and Illinois.
- Franchising makes the greatest percentage impact on payrolls in Florida—payrolls met because of franchising are 10.4 percent of Florida’s total private-sector payrolls.
- Payrolls caused by franchising are at least 8 percent of a State’s private-sector payrolls 26 States.
- Payrolls caused by franchising are at least 5 percent of a State’s private-sector payrolls in every State except the District of Columbia.

VIEW S(3)***Economic Impact of Franchised Businesses*****FRANCHISING AND OUTPUT IN THE STATES, 2016**

State	In Franchised Businesses (in \$ millions)	Because of Franchised Businesses (in \$ millions)	Output Caused by Franchising as Percent of State Output
Alabama	\$ 12,725.3	\$ 28,429.1	6.9%
Alaska	1,945.8	4,838.6	5.1%
Arizona	18,167.6	40,637.7	8.1%
Arkansas	7,851.6	18,060.7	7.3%
California	90,482.2	234,794.0	6.4%
Colorado	16,527.1	39,824.2	7.7%
Connecticut	11,900.3	27,374.8	6.6%
Delaware	3,170.5	7,171.4	6.9%
District of Columbia	2,088.8	4,565.9	3.7%
Florida	59,290.2	132,157.5	9.3%
Georgia	28,364.7	68,704.8	8.0%
Hawaii	4,392.0	8,724.9	6.8%
Idaho	4,064.7	9,312.1	7.4%
Illinois	39,283.3	97,107.4	7.2%
Indiana	18,857.0	44,693.1	6.4%
Iowa	9,454.2	22,842.6	6.8%
Kansas	8,732.3	20,482.7	6.8%
Kentucky	13,690.6	29,716.8	7.5%
Louisiana	13,130.7	32,203.3	5.7%
Maine	3,189.3	7,356.6	6.9%
Maryland	17,408.3	37,075.2	7.2%
Massachusetts	15,280.4	39,335.3	5.2%
Michigan	26,793.8	62,434.4	6.7%
Minnesota	16,435.7	42,015.7	7.2%
Mississippi	7,732.1	16,273.0	7.2%
Missouri	18,799.4	43,995.6	8.0%
Montana	2,990.7	6,564.3	7.5%
Nebraska	6,430.8	14,966.8	7.5%
Nevada	9,060.3	18,704.3	8.3%

New Hampshire	3,626.5	8,453.3	6.7%
New Jersey	23,706.4	56,824.4	6.3%
New Mexico	5,492.8	11,245.2	7.5%
New York	42,652.0	107,060.7	5.2%
North Carolina	30,488.5	71,647.8	8.4%
North Dakota	4,019.7	7,746.0	8.3%
Ohio	31,719.3	79,738.5	6.9%
Oklahoma	9,860.1	22,813.3	6.6%
Oregon	9,434.5	23,322.4	6.4%
Pennsylvania	31,857.1	80,691.1	6.5%
Rhode Island	2,346.8	5,466.9	5.9%
South Carolina	12,849.1	27,657.5	7.3%
South Dakota	2,802.3	5,954.0	7.3%
Tennessee	21,607.6	47,741.8	8.1%
Texas	70,637.4	185,383.6	6.1%
Utah	6,794.7	17,672.6	6.5%
Vermont	1,436.7	3,485.2	5.8%
Virginia	26,948.5	57,958.1	8.1%
Washington	20,058.6	46,002.4	6.5%
West Virginia	4,401.3	9,125.4	6.3%
Wisconsin	15,215.5	39,117.1	6.7%
Wyoming	1,873.7	4,181.5	5.3%
U.S. Total	\$ 868,068.8	\$ 2,079,246.2	6.8%

Note: Details may not add to totals due to rounding.

- The value of output produced because of franchised businesses is greatest in California, Texas, Florida, New York, and Illinois.
- Franchising makes the great percentage impact on output in Florida and North Carolina—output produced because of franchised businesses is 9.3 percent of Florida’s total private-sector output and 8.4 percent of North Carolina’s total private-sector output.
- Franchised businesses are the cause of at least 5 percent of a State’s private-sector output in every State except the District of Columbia and at least 7 percent of a State’s private-sector output in 22 States.

VIEW S(4)***Economic Impact of Franchised Businesses*****FRANCHISING AND GDP IN THE STATES, 2016**

State	In Franchised Businesses (in \$ millions)	Because of Franchised Businesses (in \$ millions)	GDP Caused by Franchising as Percent of State Output
Alabama	\$ 7,339.6	\$ 14,747.6	8.2%
Alaska	1,165.2	2,961.9	4.8%
Arizona	11,702.1	24,184.6	9.0%
Arkansas	4,492.8	9,341.1	8.0%
California	59,921.8	141,988.8	6.8%
Colorado	10,334.2	23,133.9	8.2%
Connecticut	7,970.2	17,562.6	7.3%
Delaware	2,021.5	4,432.9	7.2%
District of Columbia	1,567.9	3,364.8	3.9%
Florida	37,367.7	77,879.5	10.1%
Georgia	17,080.0	38,559.9	8.7%
Hawaii	3,032.9	5,473.1	7.5%
Idaho	2,255.6	4,571.8	8.3%
Illinois	25,317.5	56,848.6	8.0%
Indiana	10,960.5	23,449.6	7.5%
Iowa	5,348.0	11,328.8	7.6%
Kansas	5,210.1	10,615.2	8.0%
Kentucky	7,931.8	15,628.7	9.0%
Louisiana	8,098.2	17,099.4	6.7%
Maine	1,912.5	4,017.4	7.7%
Maryland	11,329.5	23,024.8	7.7%
Massachusetts	10,033.1	24,365.5	5.6%
Michigan	16,431.2	34,547.7	8.0%
Minnesota	9,948.0	23,204.5	7.8%
Mississippi	4,485.4	8,304.4	8.7%
Missouri	10,976.0	23,945.7	8.9%
Montana	1,614.8	3,266.5	8.3%
Nebraska	3,645.7	7,698.1	8.1%

Nevada	5,971.1	11,620.0	8.8%
New Hampshire	2,271.1	4,989.4	7.4%
New Jersey	16,106.1	35,905.4	6.8%
New Mexico	3,278.3	6,260.1	8.1%
New York	28,980.3	69,835.3	5.4%
North Carolina	17,830.7	40,096.0	9.1%
North Dakota	2,437.8	4,422.7	9.0%
Ohio	18,763.0	43,681.0	7.8%
Oklahoma	5,920.1	12,504.1	7.3%
Oregon	5,564.7	12,932.0	6.6%
Pennsylvania	19,466.1	45,520.2	7.1%
Rhode Island	1,505.7	3,323.1	6.5%
South Carolina	7,544.1	14,827.4	8.5%
South Dakota	1,560.7	3,099.2	7.8%
Tennessee	13,081.7	26,689.8	9.4%
Texas	44,844.0	104,419.0	6.8%
Utah	3,979.2	9,423.0	7.0%
Vermont	882.4	1,842.1	6.6%
Virginia	16,753.6	34,843.2	8.6%
Washington	12,496.5	26,588.0	7.1%
West Virginia	2,563.3	4,871.8	7.2%
Wisconsin	8,680.8	20,026.7	7.4%
Wyoming	1,114.7	2,338.4	5.6%
U.S. Total	\$ 541,089.8	\$ 1,195,605.3	7.4%

Note: Details may not add to totals due to rounding.

- The value of GDP produced because of franchised businesses is greatest in California, Texas, Florida, New York, and Illinois.
- Franchising makes the great percentage impact on GDP in Florida and Tennessee—GDP produced because of franchised businesses is 10.1 percent of Florida’s total private-sector GDP and 9.4 percent of Tennessee’s total private-sector GDP.
- Franchised businesses are the cause of at least 5 percent of a State’s private-sector GDP in all but 2 States (Alaska and the District of Columbia) and at least 7 percent of a State’s private-sector GDP in 39 States.

Economic Impact of Franchised Businesses

FRANCHISING IN ALABAMA, 2016

	All Franchises			
	<u>In Franchised Businesses</u>		<u>Because of Franchised Businesses</u>	
Jobs	144,600		241,400	
Payroll (in \$ millions)	\$ 4,778		\$ 8,907	
Output (in \$ millions)	\$ 12,725		\$ 28,429	
GDP (in \$ millions)	\$ 7,340		\$ 14,748	
Establishments	13,361			

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	124,900	201,700	19,700	39,700
Payroll (in \$ millions)	\$ 3,726	\$ 7,012	\$ 1,051	\$ 1,895
Output (in \$ millions)	\$ 9,745	\$ 22,286	\$ 2,981	\$ 6,143
GDP (in \$ millions)	\$ 5,426	\$ 11,332	\$ 1,914	\$ 3,416
Establishments	12,220		1,141	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	17,900	107,000
Payroll (in \$ millions)	\$ 545	\$ 3,181
Output (in \$ millions)	\$ 1,371	\$ 8,373
GDP (in \$ millions)	\$ 774	\$ 4,652
Establishments	1,356	10,865

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN ALASKA, 2016

	All Franchises			
	<u>In Franchised Businesses</u>		<u>Because of Franchised Businesses</u>	
Jobs	17,700		30,500	
Payroll (in \$ millions)	\$ 822		\$ 1,581	
Output (in \$ millions)	\$ 1,946		\$ 4,839	
GDP (in \$ millions)	\$ 1,165		\$ 2,962	
Establishments	2,008			

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	14,600	24,700	3,100	5,800
Payroll (in \$ millions)	\$ 635	\$ 1,234	\$ 188	\$ 347
Output (in \$ millions)	\$ 1,486	\$ 3,786	\$ 460	\$ 1,053
GDP (in \$ millions)	\$ 908	\$ 2,334	\$ 257	\$ 628
Establishments	1,824		185	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	1,400	13,200
Payroll (in \$ millions)	\$ 62	\$ 573
Output (in \$ millions)	\$ 141	\$ 1,345
GDP (in \$ millions)	\$ 87	\$ 821
Establishments	173	1,650

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN ARIZONA, 2016

	All Franchises			
	<u>In Franchised Businesses</u>		<u>Because of Franchised Businesses</u>	
Jobs	182,300		335,300	
Payroll (in \$ millions)	\$ 7,333		\$ 14,386	
Output (in \$ millions)	\$ 18,168		\$ 40,638	
GDP (in \$ millions)	\$ 11,702		\$ 24,185	
Establishments	15,562			
	<u>Business Format Franchises</u>		<u>Product Distribution Franchises</u>	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	153,300	273,000	29,000	62,300
Payroll (in \$ millions)	\$ 5,493	\$ 11,031	\$ 1,840	\$ 3,356
Output (in \$ millions)	\$ 13,627	\$ 31,323	\$ 4,540	\$ 9,314
GDP (in \$ millions)	\$ 8,240	\$ 18,053	\$ 3,462	\$ 6,131
Establishments	14,530		1,032	
	<u>In Business Format Franchises</u>			
	<u>Franchisor Owned</u>		<u>Franchisee Owned</u>	
Jobs	30,400		122,900	
Payroll (in \$ millions)	\$ 1,153		\$ 4,340	
Output (in \$ millions)	\$ 2,783		\$ 10,845	
GDP (in \$ millions)	\$ 1,698		\$ 6,542	
Establishments	2,046		12,484	

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN ARKANSAS, 2016

	All Franchises			
	<u>In Franchised Businesses</u>		<u>Because of Franchised Businesses</u>	
Jobs	93,700		152,900	
Payroll (in \$ millions)	\$ 2,923		\$ 5,456	
Output (in \$ millions)	\$ 7,852		\$ 18,061	
GDP (in \$ millions)	\$ 4,493		\$ 9,341	
Establishments	9,088			

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	82,800	130,700	10,900	22,300
Payroll (in \$ millions)	\$ 2,312	\$ 4,366	\$ 611	\$ 1,090
Output (in \$ millions)	\$ 6,247	\$ 14,555	\$ 1,605	\$ 3,505
GDP (in \$ millions)	\$ 3,414	\$ 7,345	\$ 1,079	\$ 1,996
Establishments	8,189		899	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	11,100	71,600
Payroll (in \$ millions)	\$ 339	\$ 1,973
Output (in \$ millions)	\$ 909	\$ 5,338
GDP (in \$ millions)	\$ 513	\$ 2,902
Establishments	937	7,253

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN CALIFORNIA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	867,500	1,663,000
Payroll (in \$ millions)	\$ 38,022	\$ 84,691
Output (in \$ millions)	\$ 90,482	\$ 234,794
GDP (in \$ millions)	\$ 59,922	\$ 141,989
Establishments	82,584	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	728,900	1,357,800	138,600	305,200
Payroll (in \$ millions)	\$ 28,805	\$ 65,817	\$ 9,217	\$ 18,873
Output (in \$ millions)	\$ 69,391	\$ 184,428	\$ 21,091	\$ 50,366
GDP (in \$ millions)	\$ 43,912	\$ 109,043	\$ 16,010	\$ 32,946
Establishments	75,840		6,745	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	143,400	585,500
Payroll (in \$ millions)	\$ 5,971	\$ 22,834
Output (in \$ millions)	\$ 13,325	\$ 56,066
GDP (in \$ millions)	\$ 8,375	\$ 35,537
Establishments	9,499	66,341

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN COLORADO, 2016

	All Franchises			
	<u>In Franchised Businesses</u>		<u>Because of Franchised Businesses</u>	
Jobs	171,200		314,900	
Payroll (in \$ millions)	\$ 6,760		\$ 14,285	
Output (in \$ millions)	\$ 16,527		\$ 39,824	
GDP (in \$ millions)	\$ 10,334		\$ 23,134	
Establishments	16,722			

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	150,400	267,800	20,700	47,100
Payroll (in \$ millions)	\$ 5,403	\$ 11,557	\$ 1,357	\$ 2,728
Output (in \$ millions)	\$ 13,450	\$ 32,563	\$ 3,078	\$ 7,261
GDP (in \$ millions)	\$ 8,084	\$ 18,560	\$ 2,250	\$ 4,574
Establishments	15,606		1,116	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	26,000	124,500
Payroll (in \$ millions)	\$ 980	\$ 4,422
Output (in \$ millions)	\$ 2,321	\$ 11,128
GDP (in \$ millions)	\$ 1,387	\$ 6,697
Establishments	1,781	13,825

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN CONNECTICUT, 2016

	All Franchises			
	<u>In Franchised Businesses</u>		<u>Because of Franchised Businesses</u>	
Jobs	103,000		188,300	
Payroll (in \$ millions)	\$ 5,535		\$ 11,104	
Output (in \$ millions)	\$ 11,900		\$ 27,375	
GDP (in \$ millions)	\$ 7,970		\$ 17,563	
Establishments	8,160			
	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	85,000	152,700	18,100	35,600
Payroll (in \$ millions)	\$ 4,286	\$ 8,722	\$ 1,248	\$ 2,382
Output (in \$ millions)	\$ 9,308	\$ 21,640	\$ 2,592	\$ 5,734
GDP (in \$ millions)	\$ 6,060	\$ 13,699	\$ 1,910	\$ 3,864
Establishments	7,240		920	
	In Business Format Franchises			
	<u>Franchisor Owned</u>		<u>Franchisee Owned</u>	
Jobs	22,000		62,900	
Payroll (in \$ millions)	\$ 1,385		\$ 2,901	
Output (in \$ millions)	\$ 2,888		\$ 6,421	
GDP (in \$ millions)	\$ 1,910		\$ 4,150	
Establishments	765		6,475	

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN DELAWARE, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	28,900	49,500
Payroll (in \$ millions)	\$ 1,330	\$ 2,508
Output (in \$ millions)	\$ 3,171	\$ 7,171
GDP (in \$ millions)	\$ 2,022	\$ 4,433
Establishments	2,234	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	22,000	37,400	6,900	12,100
Payroll (in \$ millions)	\$ 913	\$ 1,798	\$ 417	\$ 710
Output (in \$ millions)	\$ 2,272	\$ 5,308	\$ 898	\$ 1,864
GDP (in \$ millions)	\$ 1,397	\$ 3,216	\$ 624	\$ 1,217
Establishments	2,035		200	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	4,000	18,000
Payroll (in \$ millions)	\$ 198	\$ 715
Output (in \$ millions)	\$ 472	\$ 1,800
GDP (in \$ millions)	\$ 309	\$ 1,089
Establishments	225	1,810

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN THE DISTRICT OF COLUMBIA, 2016

	All Franchises			
	<u>In Franchised Businesses</u>		<u>Because of Franchised Businesses</u>	
Jobs	14,200		26,900	
Payroll (in \$ millions)	\$ 1,011		\$ 2,190	
Output (in \$ millions)	\$ 2,089		\$ 4,566	
GDP (in \$ millions)	\$ 1,568		\$ 3,365	
Establishments	922			

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	14,000	24,700	200	2,200
Payroll (in \$ millions)	\$ 1,002	\$ 1,987	\$ 9	\$ 203
Output (in \$ millions)	\$ 2,066	\$ 4,139	\$ 23	\$ 427
GDP (in \$ millions)	\$ 1,551	\$ 3,052	\$ 17	\$ 312
Establishments	889		33	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	3,300	10,700
Payroll (in \$ millions)	\$ 335	\$ 667
Output (in \$ millions)	\$ 638	\$ 1,428
GDP (in \$ millions)	\$ 500	\$ 1,051
Establishments	145	744

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN FLORIDA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	613,700	1,138,800
Payroll (in \$ millions)	\$ 23,917	\$ 47,028
Output (in \$ millions)	\$ 59,290	\$ 132,158
GDP (in \$ millions)	\$ 37,368	\$ 77,880
Establishments	51,443	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	514,000	922,700	99,700	216,100
Payroll (in \$ millions)	\$ 17,882	\$ 35,919	\$ 6,035	\$ 11,109
Output (in \$ millions)	\$ 44,826	\$ 101,908	\$ 14,464	\$ 30,250
GDP (in \$ millions)	\$ 27,052	\$ 58,729	\$ 10,316	\$ 19,150
Establishments	47,088		4,355	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	109,800	404,200
Payroll (in \$ millions)	\$ 3,996	\$ 13,886
Output (in \$ millions)	\$ 9,591	\$ 35,235
GDP (in \$ millions)	\$ 5,729	\$ 21,323
Establishments	6,470	40,618

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN GEORGIA, 2016

	All Franchises			
	<u>In Franchised Businesses</u>		<u>Because of Franchised Businesses</u>	
Jobs	315,600		564,300	
Payroll (in \$ millions)	\$ 11,299		\$ 23,297	
Output (in \$ millions)	\$ 28,365		\$ 68,705	
GDP (in \$ millions)	\$ 17,080		\$ 38,560	
Establishments	28,853			

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	275,800	477,300	39,800	87,000
Payroll (in \$ millions)	\$ 9,097	\$ 18,829	\$ 2,202	\$ 4,468
Output (in \$ millions)	\$ 22,722	\$ 55,542	\$ 5,643	\$ 13,163
GDP (in \$ millions)	\$ 13,283	\$ 30,737	\$ 3,797	\$ 7,823
Establishments	26,544		2,310	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	54,600	221,200
Payroll (in \$ millions)	\$ 1,974	\$ 7,122
Output (in \$ millions)	\$ 4,731	\$ 17,991
GDP (in \$ millions)	\$ 2,781	\$ 10,503
Establishments	3,455	23,089

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN HAWAII, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	36,200	63,900
Payroll (in \$ millions)	\$ 1,792	\$ 3,134
Output (in \$ millions)	\$ 4,392	\$ 8,725
GDP (in \$ millions)	\$ 3,033	\$ 5,473
Establishments	2,126	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	30,800	53,200	5,400	10,700
Payroll (in \$ millions)	\$ 1,452	\$ 2,536	\$ 340	\$ 599
Output (in \$ millions)	\$ 3,472	\$ 6,979	\$ 920	\$ 1,746
GDP (in \$ millions)	\$ 2,340	\$ 4,309	\$ 693	\$ 1,165
Establishments	1,860		266	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	5,500	25,300
Payroll (in \$ millions)	\$ 234	\$ 1,218
Output (in \$ millions)	\$ 571	\$ 2,900
GDP (in \$ millions)	\$ 364	\$ 1,976
Establishments	280	1,579

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN IDAHO, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	51,500	85,600
Payroll (in \$ millions)	\$ 1,518	\$ 2,847
Output (in \$ millions)	\$ 4,065	\$ 9,312
GDP (in \$ millions)	\$ 2,256	\$ 4,572
Establishments	5,105	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	45,600	73,300	5,900	12,300
Payroll (in \$ millions)	\$ 1,216	\$ 2,300	\$ 301	\$ 547
Output (in \$ millions)	\$ 3,303	\$ 7,599	\$ 761	\$ 1,714
GDP (in \$ millions)	\$ 1,756	\$ 3,647	\$ 500	\$ 925
Establishments	4,721		383	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	6,500	39,100
Payroll (in \$ millions)	\$ 167	\$ 1,049
Output (in \$ millions)	\$ 436	\$ 2,867
GDP (in \$ millions)	\$ 229	\$ 1,527
Establishments	440	4,282

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN ILLINOIS, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	372,200	695,800
Payroll (in \$ millions)	\$ 15,970	\$ 34,287
Output (in \$ millions)	\$ 39,283	\$ 97,107
GDP (in \$ millions)	\$ 25,317	\$ 56,849
Establishments	31,053	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	321,400	584,300	50,900	111,500
Payroll (in \$ millions)	\$ 12,916	\$ 27,819	\$ 3,053	\$ 6,468
Output (in \$ millions)	\$ 31,839	\$ 78,983	\$ 7,444	\$ 18,124
GDP (in \$ millions)	\$ 20,005	\$ 45,676	\$ 5,312	\$ 11,173
Establishments	28,529		2,524	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	80,400	241,000
Payroll (in \$ millions)	\$ 3,774	\$ 9,142
Output (in \$ millions)	\$ 8,335	\$ 23,504
GDP (in \$ millions)	\$ 5,184	\$ 14,822
Establishments	3,301	25,228

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN INDIANA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	222,100	369,300
Payroll (in \$ millions)	\$ 7,108	\$ 13,857
Output (in \$ millions)	\$ 18,857	\$ 44,693
GDP (in \$ millions)	\$ 10,961	\$ 23,450
Establishments	18,039	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	189,000	304,700	33,100	64,600
Payroll (in \$ millions)	\$ 5,420	\$ 10,750	\$ 1,688	\$ 3,107
Output (in \$ millions)	\$ 14,456	\$ 34,976	\$ 4,401	\$ 9,717
GDP (in \$ millions)	\$ 7,999	\$ 17,888	\$ 2,961	\$ 5,562
Establishments	16,506		1,533	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	32,000	157,000
Payroll (in \$ millions)	\$ 968	\$ 4,452
Output (in \$ millions)	\$ 2,430	\$ 12,025
GDP (in \$ millions)	\$ 1,323	\$ 6,676
Establishments	1,970	14,536

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN IOWA, 2016

	All Franchises			
	<u>In Franchised Businesses</u>		<u>Because of Franchised Businesses</u>	
Jobs	109,500		181,500	
Payroll (in \$ millions)	\$ 3,467		\$ 6,752	
Output (in \$ millions)	\$ 9,454		\$ 22,843	
GDP (in \$ millions)	\$ 5,348		\$ 11,329	
Establishments	10,849			
	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	95,400	153,600	14,100	27,900
Payroll (in \$ millions)	\$ 2,726	\$ 5,387	\$ 741	\$ 1,366
Output (in \$ millions)	\$ 7,602	\$ 18,512	\$ 1,852	\$ 4,331
GDP (in \$ millions)	\$ 4,131	\$ 8,979	\$ 1,217	\$ 2,350
Establishments	9,908		941	
	In Business Format Franchises			
	<u>Franchisor Owned</u>		<u>Franchisee Owned</u>	
Jobs	13,000		82,400	
Payroll (in \$ millions)	\$ 371		\$ 2,355	
Output (in \$ millions)	\$ 993		\$ 6,609	
GDP (in \$ millions)	\$ 522		\$ 3,609	
Establishments	1,053		8,855	

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN KANSAS, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	100,300	167,500
Payroll (in \$ millions)	\$ 3,359	\$ 6,540
Output (in \$ millions)	\$ 8,732	\$ 20,483
GDP (in \$ millions)	\$ 5,210	\$ 10,615
Establishments	9,965	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	89,600	145,300	10,700	22,300
Payroll (in \$ millions)	\$ 2,804	\$ 5,438	\$ 554	\$ 1,103
Output (in \$ millions)	\$ 7,222	\$ 16,951	\$ 1,511	\$ 3,532
GDP (in \$ millions)	\$ 4,134	\$ 8,614	\$ 1,076	\$ 2,001
Establishments	9,170		795	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	12,800	76,900
Payroll (in \$ millions)	\$ 434	\$ 2,370
Output (in \$ millions)	\$ 1,070	\$ 6,152
GDP (in \$ millions)	\$ 614	\$ 3,520
Establishments	1,016	8,154

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN KENTUCKY, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	168,200	265,000
Payroll (in \$ millions)	\$ 5,298	\$ 9,548
Output (in \$ millions)	\$ 13,691	\$ 29,717
GDP (in \$ millions)	\$ 7,932	\$ 15,629
Establishments	13,862	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	145,700	222,400	22,600	42,700
Payroll (in \$ millions)	\$ 4,149	\$ 7,531	\$ 1,149	\$ 2,017
Output (in \$ millions)	\$ 10,694	\$ 23,556	\$ 2,996	\$ 6,161
GDP (in \$ millions)	\$ 6,004	\$ 12,177	\$ 1,928	\$ 3,452
Establishments	12,670		1,192	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	33,800	111,900
Payroll (in \$ millions)	\$ 906	\$ 3,243
Output (in \$ millions)	\$ 2,241	\$ 8,453
GDP (in \$ millions)	\$ 1,235	\$ 4,769
Establishments	1,526	11,144

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN LOUISIANA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	137,000	228,000
Payroll (in \$ millions)	\$ 4,992	\$ 9,292
Output (in \$ millions)	\$ 13,131	\$ 32,203
GDP (in \$ millions)	\$ 8,098	\$ 17,099
Establishments	12,535	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	115,900	187,200	21,100	40,800
Payroll (in \$ millions)	\$ 3,776	\$ 7,168	\$ 1,216	\$ 2,124
Output (in \$ millions)	\$ 9,808	\$ 24,986	\$ 3,323	\$ 7,217
GDP (in \$ millions)	\$ 5,775	\$ 12,909	\$ 2,323	\$ 4,190
Establishments	11,412		1,123	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	16,400	99,500
Payroll (in \$ millions)	\$ 536	\$ 3,240
Output (in \$ millions)	\$ 1,342	\$ 8,466
GDP (in \$ millions)	\$ 785	\$ 4,990
Establishments	1,328	10,084

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN MAINE, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	33,500	62,400
Payroll (in \$ millions)	\$ 1,217	\$ 2,463
Output (in \$ millions)	\$ 3,189	\$ 7,357
GDP (in \$ millions)	\$ 1,913	\$ 4,017
Establishments	3,230	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	27,100	49,300	6,400	13,100
Payroll (in \$ millions)	\$ 883	\$ 1,844	\$ 334	\$ 619
Output (in \$ millions)	\$ 2,342	\$ 5,582	\$ 847	\$ 1,775
GDP (in \$ millions)	\$ 1,363	\$ 2,988	\$ 549	\$ 1,029
Establishments	2,844		386	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	4,400	22,700
Payroll (in \$ millions)	\$ 149	\$ 734
Output (in \$ millions)	\$ 370	\$ 1,972
GDP (in \$ millions)	\$ 209	\$ 1,154
Establishments	333	2,511

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN MARYLAND, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	168,900	291,300
Payroll (in \$ millions)	\$ 7,292	\$ 14,108
Output (in \$ millions)	\$ 17,408	\$ 37,075
GDP (in \$ millions)	\$ 11,329	\$ 23,025
Establishments	13,987	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	142,800	239,900	26,100	51,400
Payroll (in \$ millions)	\$ 5,659	\$ 11,079	\$ 1,633	\$ 3,029
Output (in \$ millions)	\$ 13,637	\$ 29,314	\$ 3,771	\$ 7,761
GDP (in \$ millions)	\$ 8,622	\$ 17,929	\$ 2,707	\$ 5,096
Establishments	12,830		1,157	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	26,200	116,500
Payroll (in \$ millions)	\$ 1,079	\$ 4,580
Output (in \$ millions)	\$ 2,608	\$ 11,029
GDP (in \$ millions)	\$ 1,685	\$ 6,937
Establishments	1,796	11,034

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN MASSACHUSETTS, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	141,800	277,700
Payroll (in \$ millions)	\$ 6,522	\$ 15,597
Output (in \$ millions)	\$ 15,280	\$ 39,335
GDP (in \$ millions)	\$ 10,033	\$ 24,366
Establishments	13,863	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	116,600	223,300	25,200	54,400
Payroll (in \$ millions)	\$ 4,909	\$ 12,047	\$ 1,613	\$ 3,550
Output (in \$ millions)	\$ 11,998	\$ 30,964	\$ 3,283	\$ 8,372
GDP (in \$ millions)	\$ 7,745	\$ 19,023	\$ 2,288	\$ 5,342
Establishments	12,462		1,401	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	25,000	91,600
Payroll (in \$ millions)	\$ 1,000	\$ 3,910
Output (in \$ millions)	\$ 2,239	\$ 9,759
GDP (in \$ millions)	\$ 1,367	\$ 6,379
Establishments	1,678	10,784

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN MICHIGAN, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	297,800	518,000
Payroll (in \$ millions)	\$ 10,120	\$ 20,523
Output (in \$ millions)	\$ 26,794	\$ 62,434
GDP (in \$ millions)	\$ 16,431	\$ 34,548
Establishments	25,714	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	247,200	415,100	50,500	102,800
Payroll (in \$ millions)	\$ 7,169	\$ 15,162	\$ 2,951	\$ 5,361
Output (in \$ millions)	\$ 19,471	\$ 47,030	\$ 7,323	\$ 15,404
GDP (in \$ millions)	\$ 11,119	\$ 25,057	\$ 5,312	\$ 9,490
Establishments	23,351		2,363	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	39,100	208,100
Payroll (in \$ millions)	\$ 1,174	\$ 5,995
Output (in \$ millions)	\$ 3,081	\$ 16,390
GDP (in \$ millions)	\$ 1,751	\$ 9,368
Establishments	2,573	20,778

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN MINNESOTA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	175,200	323,800
Payroll (in \$ millions)	\$ 6,496	\$ 14,386
Output (in \$ millions)	\$ 16,436	\$ 42,016
GDP (in \$ millions)	\$ 9,948	\$ 23,205
Establishments	16,343	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	152,500	273,700	22,700	50,100
Payroll (in \$ millions)	\$ 5,196	\$ 11,642	\$ 1,299	\$ 2,745
Output (in \$ millions)	\$ 13,429	\$ 34,388	\$ 3,007	\$ 7,628
GDP (in \$ millions)	\$ 7,844	\$ 18,684	\$ 2,104	\$ 4,520
Establishments	15,173		1,170	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	28,700	123,800
Payroll (in \$ millions)	\$ 993	\$ 4,203
Output (in \$ millions)	\$ 2,485	\$ 10,944
GDP (in \$ millions)	\$ 1,448	\$ 6,396
Establishments	1,578	13,594

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN MISSISSIPPI, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	89,700	143,700
Payroll (in \$ millions)	\$ 2,888	\$ 5,048
Output (in \$ millions)	\$ 7,732	\$ 16,273
GDP (in \$ millions)	\$ 4,485	\$ 8,304
Establishments	8,835	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	78,900	122,700	10,800	21,000
Payroll (in \$ millions)	\$ 2,329	\$ 4,084	\$ 559	\$ 964
Output (in \$ millions)	\$ 6,160	\$ 13,115	\$ 1,572	\$ 3,158
GDP (in \$ millions)	\$ 3,437	\$ 6,543	\$ 1,048	\$ 1,761
Establishments	8,056		779	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	11,200	67,700
Payroll (in \$ millions)	\$ 328	\$ 2,001
Output (in \$ millions)	\$ 856	\$ 5,304
GDP (in \$ millions)	\$ 483	\$ 2,954
Establishments	1,006	7,050

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN MISSOURI, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	207,500	365,700
Payroll (in \$ millions)	\$ 7,393	\$ 14,949
Output (in \$ millions)	\$ 18,799	\$ 43,996
GDP (in \$ millions)	\$ 10,976	\$ 23,946
Establishments	18,412	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	178,300	304,600	29,200	61,100
Payroll (in \$ millions)	\$ 5,809	\$ 11,864	\$ 1,584	\$ 3,085
Output (in \$ millions)	\$ 14,797	\$ 35,065	\$ 4,003	\$ 8,931
GDP (in \$ millions)	\$ 8,384	\$ 18,795	\$ 2,592	\$ 5,151
Establishments	16,873		1,539	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	33,300	145,000
Payroll (in \$ millions)	\$ 1,096	\$ 4,712
Output (in \$ millions)	\$ 2,776	\$ 12,021
GDP (in \$ millions)	\$ 1,590	\$ 6,794
Establishments	2,082	14,791

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN MONTANA, 2016

	All Franchises			
	<u>In Franchised Businesses</u>		<u>Because of Franchised Businesses</u>	
Jobs	35,300		59,300	
Payroll (in \$ millions)	\$ 1,131		\$ 2,051	
Output (in \$ millions)	\$ 2,991		\$ 6,564	
GDP (in \$ millions)	\$ 1,615		\$ 3,267	
Establishments	4,102			
	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	30,700	50,100	4,600	9,200
Payroll (in \$ millions)	\$ 892	\$ 1,637	\$ 239	\$ 414
Output (in \$ millions)	\$ 2,427	\$ 5,335	\$ 564	\$ 1,230
GDP (in \$ millions)	\$ 1,281	\$ 2,621	\$ 334	\$ 646
Establishments	3,756		346	
	In Business Format Franchises			
	<u>Franchisor Owned</u>		<u>Franchisee Owned</u>	
Jobs	3,600		27,100	
Payroll (in \$ millions)	\$ 107		\$ 785	
Output (in \$ millions)	\$ 265		\$ 2,162	
GDP (in \$ millions)	\$ 140		\$ 1,141	
Establishments	371		3,385	

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN NEBRASKA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	71,400	120,100
Payroll (in \$ millions)	\$ 2,423	\$ 4,733
Output (in \$ millions)	\$ 6,431	\$ 14,967
GDP (in \$ millions)	\$ 3,646	\$ 7,698
Establishments	7,144	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	63,600	104,300	7,700	15,900
Payroll (in \$ millions)	\$ 2,009	\$ 3,934	\$ 413	\$ 798
Output (in \$ millions)	\$ 5,428	\$ 12,537	\$ 1,003	\$ 2,430
GDP (in \$ millions)	\$ 2,965	\$ 6,339	\$ 681	\$ 1,359
Establishments	6,526		618	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	9,700	54,000
Payroll (in \$ millions)	\$ 285	\$ 1,724
Output (in \$ millions)	\$ 739	\$ 4,689
GDP (in \$ millions)	\$ 396	\$ 2,569
Establishments	747	5,779

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN NEVADA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	84,900	151,800
Payroll (in \$ millions)	\$ 3,844	\$ 6,877
Output (in \$ millions)	\$ 9,060	\$ 18,704
GDP (in \$ millions)	\$ 5,971	\$ 11,620
Establishments	6,567	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	73,900	128,400	11,000	23,400
Payroll (in \$ millions)	\$ 3,143	\$ 5,616	\$ 701	\$ 1,261
Output (in \$ millions)	\$ 7,441	\$ 15,323	\$ 1,619	\$ 3,381
GDP (in \$ millions)	\$ 4,765	\$ 9,377	\$ 1,206	\$ 2,243
Establishments	6,148		419	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	10,100	63,800
Payroll (in \$ millions)	\$ 423	\$ 2,720
Output (in \$ millions)	\$ 1,034	\$ 6,407
GDP (in \$ millions)	\$ 641	\$ 4,124
Establishments	778	5,370

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN NEW HAMPSHIRE, 2016

	All Franchises			
	<u>In Franchised Businesses</u>		<u>Because of Franchised Businesses</u>	
Jobs	35,100		67,100	
Payroll (in \$ millions)	\$ 1,576		\$ 3,244	
Output (in \$ millions)	\$ 3,627		\$ 8,453	
GDP (in \$ millions)	\$ 2,271		\$ 4,989	
Establishments	3,530			
	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	26,900	50,400	8,200	16,700
Payroll (in \$ millions)	\$ 1,043	\$ 2,278	\$ 533	\$ 966
Output (in \$ millions)	\$ 2,570	\$ 6,164	\$ 1,056	\$ 2,289
GDP (in \$ millions)	\$ 1,572	\$ 3,583	\$ 700	\$ 1,406
Establishments	3,079		451	
	In Business Format Franchises			
	<u>Franchisor Owned</u>		<u>Franchisee Owned</u>	
Jobs	4,800		22,000	
Payroll (in \$ millions)	\$ 167		\$ 875	
Output (in \$ millions)	\$ 373		\$ 2,197	
GDP (in \$ millions)	\$ 216		\$ 1,356	
Establishments	339		2,740	

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN NEW JERSEY, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	206,500	389,800
Payroll (in \$ millions)	\$ 9,908	\$ 21,529
Output (in \$ millions)	\$ 23,706	\$ 56,824
GDP (in \$ millions)	\$ 16,106	\$ 35,905
Establishments	18,819	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	170,500	313,600	36,000	76,200
Payroll (in \$ millions)	\$ 7,213	\$ 16,330	\$ 2,695	\$ 5,199
Output (in \$ millions)	\$ 18,183	\$ 44,236	\$ 5,523	\$ 12,588
GDP (in \$ millions)	\$ 11,894	\$ 27,427	\$ 4,212	\$ 8,478
Establishments	17,004		1,815	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	33,700	136,900
Payroll (in \$ millions)	\$ 1,768	\$ 5,446
Output (in \$ millions)	\$ 4,101	\$ 14,082
GDP (in \$ millions)	\$ 2,742	\$ 9,153
Establishments	1,803	15,201

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN NEW MEXICO, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	63,600	101,000
Payroll (in \$ millions)	\$ 2,126	\$ 3,674
Output (in \$ millions)	\$ 5,493	\$ 11,245
GDP (in \$ millions)	\$ 3,278	\$ 6,260
Establishments	5,328	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	54,800	84,400	8,900	16,600
Payroll (in \$ millions)	\$ 1,623	\$ 2,858	\$ 503	\$ 816
Output (in \$ millions)	\$ 4,309	\$ 8,917	\$ 1,184	\$ 2,329
GDP (in \$ millions)	\$ 2,445	\$ 4,825	\$ 833	\$ 1,435
Establishments	4,871		456	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	6,700	48,000
Payroll (in \$ millions)	\$ 201	\$ 1,422
Output (in \$ millions)	\$ 505	\$ 3,804
GDP (in \$ millions)	\$ 286	\$ 2,159
Establishments	551	4,320

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN NEW YORK, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	358,000	695,500
Payroll (in \$ millions)	\$ 18,217	\$ 41,717
Output (in \$ millions)	\$ 42,652	\$ 107,061
GDP (in \$ millions)	\$ 28,980	\$ 69,835
Establishments	32,310	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	304,900	576,500	53,000	119,000
Payroll (in \$ millions)	\$ 14,620	\$ 33,533	\$ 3,596	\$ 8,183
Output (in \$ millions)	\$ 34,128	\$ 86,084	\$ 8,524	\$ 20,977
GDP (in \$ millions)	\$ 22,845	\$ 55,758	\$ 6,136	\$ 14,078
Establishments	29,072		3,238	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	53,300	251,700
Payroll (in \$ millions)	\$ 2,765	\$ 11,856
Output (in \$ millions)	\$ 6,216	\$ 27,911
GDP (in \$ millions)	\$ 4,146	\$ 18,699
Establishments	2,958	26,114

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN NORTH CAROLINA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	339,100	594,100
Payroll (in \$ millions)	\$ 12,677	\$ 24,544
Output (in \$ millions)	\$ 30,489	\$ 71,648
GDP (in \$ millions)	\$ 17,831	\$ 40,096
Establishments	27,158	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	294,400	499,900	44,700	94,300
Payroll (in \$ millions)	\$ 10,010	\$ 19,593	\$ 2,667	\$ 4,951
Output (in \$ millions)	\$ 24,365	\$ 57,796	\$ 6,123	\$ 13,852
GDP (in \$ millions)	\$ 13,798	\$ 31,871	\$ 4,033	\$ 8,225
Establishments	24,863		2,295	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	63,200	231,200
Payroll (in \$ millions)	\$ 2,849	\$ 7,161
Output (in \$ millions)	\$ 6,378	\$ 17,988
GDP (in \$ millions)	\$ 3,723	\$ 10,075
Establishments	2,657	22,205

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN NORTH DAKOTA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	35,600	56,600
Payroll (in \$ millions)	\$ 1,481	\$ 2,518
Output (in \$ millions)	\$ 4,020	\$ 7,746
GDP (in \$ millions)	\$ 2,438	\$ 4,423
Establishments	3,030	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	31,300	48,900	4,200	7,800
Payroll (in \$ millions)	\$ 1,236	\$ 2,101	\$ 245	\$ 417
Output (in \$ millions)	\$ 3,384	\$ 6,493	\$ 636	\$ 1,253
GDP (in \$ millions)	\$ 2,011	\$ 3,668	\$ 426	\$ 755
Establishments	2,797		233	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	3,500	27,800
Payroll (in \$ millions)	\$ 114	\$ 1,122
Output (in \$ millions)	\$ 294	\$ 3,090
GDP (in \$ millions)	\$ 164	\$ 1,847
Establishments	328	2,468

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN OHIO, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	368,300	649,700
Payroll (in \$ millions)	\$ 12,735	\$ 26,702
Output (in \$ millions)	\$ 31,719	\$ 79,739
GDP (in \$ millions)	\$ 18,763	\$ 43,681
Establishments	29,648	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	318,500	544,500	49,800	105,200
Payroll (in \$ millions)	\$ 10,051	\$ 21,303	\$ 2,684	\$ 5,399
Output (in \$ millions)	\$ 25,115	\$ 63,914	\$ 6,605	\$ 15,825
GDP (in \$ millions)	\$ 14,183	\$ 34,293	\$ 4,580	\$ 9,388
Establishments	27,158		2,491	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	57,500	260,900
Payroll (in \$ millions)	\$ 1,951	\$ 8,100
Output (in \$ millions)	\$ 4,685	\$ 20,429
GDP (in \$ millions)	\$ 2,624	\$ 11,559
Establishments	3,500	23,657

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN OKLAHOMA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	113,100	191,100
Payroll (in \$ millions)	\$ 3,972	\$ 7,797
Output (in \$ millions)	\$ 9,860	\$ 22,813
GDP (in \$ millions)	\$ 5,920	\$ 12,504
Establishments	11,101	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	97,100	158,800	16,000	32,300
Payroll (in \$ millions)	\$ 3,001	\$ 6,049	\$ 970	\$ 1,748
Output (in \$ millions)	\$ 7,615	\$ 17,980	\$ 2,245	\$ 4,833
GDP (in \$ millions)	\$ 4,321	\$ 9,569	\$ 1,600	\$ 2,935
Establishments	10,163		938	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	16,300	80,700
Payroll (in \$ millions)	\$ 554	\$ 2,447
Output (in \$ millions)	\$ 1,352	\$ 6,263
GDP (in \$ millions)	\$ 776	\$ 3,544
Establishments	1,165	8,998

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN OREGON, 2016

	All Franchises			
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>		
Jobs	100,800	187,900		
Payroll (in \$ millions)	\$ 4,022	\$ 8,116		
Output (in \$ millions)	\$ 9,435	\$ 23,322		
GDP (in \$ millions)	\$ 5,565	\$ 12,932		
Establishments	10,046			
	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	82,700	150,100	18,100	37,800
Payroll (in \$ millions)	\$ 2,884	\$ 6,068	\$ 1,137	\$ 2,048
Output (in \$ millions)	\$ 7,212	\$ 18,071	\$ 2,222	\$ 5,252
GDP (in \$ millions)	\$ 4,061	\$ 9,781	\$ 1,504	\$ 3,151
Establishments	9,106		940	
	In Business Format Franchises			
	<u>Franchisor Owned</u>		<u>Franchisee Owned</u>	
Jobs	12,300		70,400	
Payroll (in \$ millions)	\$ 471		\$ 2,413	
Output (in \$ millions)	\$ 1,147		\$ 6,065	
GDP (in \$ millions)	\$ 661		\$ 3,400	
Establishments	974		8,132	

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN PENNSYLVANIA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	328,000	612,800
Payroll (in \$ millions)	\$ 13,168	\$ 28,794
Output (in \$ millions)	\$ 31,857	\$ 80,691
GDP (in \$ millions)	\$ 19,466	\$ 45,520
Establishments	29,699	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	270,400	493,900	57,600	118,900
Payroll (in \$ millions)	\$ 9,873	\$ 22,187	\$ 3,295	\$ 6,608
Output (in \$ millions)	\$ 24,663	\$ 63,347	\$ 7,194	\$ 17,344
GDP (in \$ millions)	\$ 14,515	\$ 35,051	\$ 4,951	\$ 10,469
Establishments	26,640		3,059	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	48,800	221,600
Payroll (in \$ millions)	\$ 1,994	\$ 7,880
Output (in \$ millions)	\$ 4,702	\$ 19,961
GDP (in \$ millions)	\$ 2,783	\$ 11,732
Establishments	3,162	23,478

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN RHODE ISLAND, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	21,700	41,500
Payroll (in \$ millions)	\$ 933	\$ 1,993
Output (in \$ millions)	\$ 2,347	\$ 5,467
GDP (in \$ millions)	\$ 1,506	\$ 3,323
Establishments	2,293	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	18,000	33,600	3,700	7,900
Payroll (in \$ millions)	\$ 715	\$ 1,553	\$ 217	\$ 440
Output (in \$ millions)	\$ 1,828	\$ 4,295	\$ 519	\$ 1,172
GDP (in \$ millions)	\$ 1,152	\$ 2,587	\$ 354	\$ 736
Establishments	2,079		213	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	3,300	14,700
Payroll (in \$ millions)	\$ 153	\$ 562
Output (in \$ millions)	\$ 345	\$ 1,482
GDP (in \$ millions)	\$ 217	\$ 935
Establishments	226	1,853

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN SOUTH CAROLINA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	148,200	246,500
Payroll (in \$ millions)	\$ 4,903	\$ 8,981
Output (in \$ millions)	\$ 12,849	\$ 27,657
GDP (in \$ millions)	\$ 7,544	\$ 14,827
Establishments	13,288	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	130,000	209,300	18,200	37,300
Payroll (in \$ millions)	\$ 3,895	\$ 7,187	\$ 1,008	\$ 1,794
Output (in \$ millions)	\$ 10,230	\$ 22,197	\$ 2,619	\$ 5,460
GDP (in \$ millions)	\$ 5,792	\$ 11,680	\$ 1,753	\$ 3,148
Establishments	12,317		971	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	18,300	111,700
Payroll (in \$ millions)	\$ 548	\$ 3,347
Output (in \$ millions)	\$ 1,367	\$ 8,863
GDP (in \$ millions)	\$ 771	\$ 5,021
Establishments	1,554	10,763

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN SOUTH DAKOTA, 2016

	All Franchises			
	<u>In Franchised Businesses</u>		<u>Because of Franchised Businesses</u>	
Jobs	32,100		51,400	
Payroll (in \$ millions)	\$ 980		\$ 1,802	
Output (in \$ millions)	\$ 2,802		\$ 5,954	
GDP (in \$ millions)	\$ 1,561		\$ 3,099	
Establishments	3,619			
	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	28,200	43,800	4,000	7,600
Payroll (in \$ millions)	\$ 767	\$ 1,433	\$ 213	\$ 368
Output (in \$ millions)	\$ 2,242	\$ 4,807	\$ 561	\$ 1,147
GDP (in \$ millions)	\$ 1,189	\$ 2,436	\$ 372	\$ 664
Establishments	3,309		310	
	In Business Format Franchises			
	<u>Franchisor Owned</u>		<u>Franchisee Owned</u>	
Jobs	3,100		25,100	
Payroll (in \$ millions)	\$ 83		\$ 683	
Output (in \$ millions)	\$ 231		\$ 2,011	
GDP (in \$ millions)	\$ 121		\$ 1,068	
Establishments	343		2,967	

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN TENNESSEE, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	230,100	398,500
Payroll (in \$ millions)	\$ 8,685	\$ 16,977
Output (in \$ millions)	\$ 21,608	\$ 47,742
GDP (in \$ millions)	\$ 13,082	\$ 26,690
Establishments	19,040	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	200,400	335,400	29,600	63,200
Payroll (in \$ millions)	\$ 6,796	\$ 13,453	\$ 1,889	\$ 3,524
Output (in \$ millions)	\$ 16,926	\$ 37,981	\$ 4,682	\$ 9,761
GDP (in \$ millions)	\$ 9,871	\$ 20,824	\$ 3,210	\$ 5,866
Establishments	17,438		1,602	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	47,900	152,500
Payroll (in \$ millions)	\$ 1,934	\$ 4,862
Output (in \$ millions)	\$ 4,597	\$ 12,329
GDP (in \$ millions)	\$ 2,708	\$ 7,163
Establishments	2,289	15,148

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN TEXAS, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	748,100	1,347,600
Payroll (in \$ millions)	\$ 29,370	\$ 62,313
Output (in \$ millions)	\$ 70,637	\$ 185,384
GDP (in \$ millions)	\$ 44,844	\$ 104,419
Establishments	67,384	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	635,500	1,104,100	112,600	243,500
Payroll (in \$ millions)	\$ 21,552	\$ 47,485	\$ 7,818	\$ 14,827
Output (in \$ millions)	\$ 53,067	\$ 143,952	\$ 17,570	\$ 41,432
GDP (in \$ millions)	\$ 31,643	\$ 78,676	\$ 13,201	\$ 25,743
Establishments	62,126		5,258	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	128,300	507,200
Payroll (in \$ millions)	\$ 4,333	\$ 17,219
Output (in \$ millions)	\$ 10,407	\$ 42,660
GDP (in \$ millions)	\$ 6,165	\$ 25,478
Establishments	7,762	54,364

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN UTAH, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	75,400	142,500
Payroll (in \$ millions)	\$ 2,766	\$ 5,723
Output (in \$ millions)	\$ 6,795	\$ 17,673
GDP (in \$ millions)	\$ 3,979	\$ 9,423
Establishments	7,083	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	63,300	114,900	12,100	27,600
Payroll (in \$ millions)	\$ 1,993	\$ 4,278	\$ 773	\$ 1,445
Output (in \$ millions)	\$ 5,036	\$ 13,495	\$ 1,759	\$ 4,177
GDP (in \$ millions)	\$ 2,831	\$ 7,044	\$ 1,148	\$ 2,379
Establishments	6,507		576	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	10,400	52,900
Payroll (in \$ millions)	\$ 322	\$ 1,671
Output (in \$ millions)	\$ 811	\$ 4,225
GDP (in \$ millions)	\$ 457	\$ 2,374
Establishments	812	5,694

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN VERMONT, 2016

	All Franchises			
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>		
Jobs	14,300	27,200		
Payroll (in \$ millions)	\$ 553	\$ 1,116		
Output (in \$ millions)	\$ 1,437	\$ 3,485		
GDP (in \$ millions)	\$ 882	\$ 1,842		
Establishments	1,720			
	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	11,300	21,200	3,000	6,000
Payroll (in \$ millions)	\$ 386	\$ 819	\$ 167	\$ 297
Output (in \$ millions)	\$ 1,052	\$ 2,646	\$ 385	\$ 839
GDP (in \$ millions)	\$ 619	\$ 1,357	\$ 263	\$ 485
Establishments	1,507		213	
	In Business Format Franchises			
	<u>Franchisor Owned</u>		<u>Franchisee Owned</u>	
Jobs	2,000		9,300	
Payroll (in \$ millions)	\$ 68		\$ 318	
Output (in \$ millions)	\$ 172		\$ 880	
GDP (in \$ millions)	\$ 99		\$ 520	
Establishments	173		1,334	

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN VIRGINIA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	278,600	468,200
Payroll (in \$ millions)	\$ 10,968	\$ 21,473
Output (in \$ millions)	\$ 26,949	\$ 57,958
GDP (in \$ millions)	\$ 16,754	\$ 34,843
Establishments	24,257	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	238,200	389,200	40,400	79,000
Payroll (in \$ millions)	\$ 8,581	\$ 16,968	\$ 2,387	\$ 4,505
Output (in \$ millions)	\$ 21,069	\$ 46,000	\$ 5,879	\$ 11,958
GDP (in \$ millions)	\$ 12,701	\$ 27,245	\$ 4,053	\$ 7,598
Establishments	22,310		1,947	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	45,900	192,300
Payroll (in \$ millions)	\$ 1,797	\$ 6,785
Output (in \$ millions)	\$ 4,350	\$ 16,719
GDP (in \$ millions)	\$ 2,717	\$ 9,984
Establishments	3,310	19,000

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN WASHINGTON, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	166,600	305,400
Payroll (in \$ millions)	\$ 7,367	\$ 15,126
Output (in \$ millions)	\$ 20,059	\$ 46,002
GDP (in \$ millions)	\$ 12,497	\$ 26,588
Establishments	15,823	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	136,500	240,300	30,000	65,100
Payroll (in \$ millions)	\$ 5,388	\$ 11,201	\$ 1,979	\$ 3,925
Output (in \$ millions)	\$ 13,884	\$ 33,430	\$ 6,175	\$ 12,572
GDP (in \$ millions)	\$ 8,899	\$ 19,497	\$ 3,597	\$ 7,091
Establishments	14,477		1,347	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	24,800	111,700
Payroll (in \$ millions)	\$ 1,030	\$ 4,358
Output (in \$ millions)	\$ 2,553	\$ 11,331
GDP (in \$ millions)	\$ 1,639	\$ 7,261
Establishments	1,646	12,830

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN WEST VIRGINIA, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	52,200	81,900
Payroll (in \$ millions)	\$ 1,639	\$ 2,949
Output (in \$ millions)	\$ 4,401	\$ 9,125
GDP (in \$ millions)	\$ 2,563	\$ 4,872
Establishments	5,259	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	44,800	68,200	7,500	13,700
Payroll (in \$ millions)	\$ 1,277	\$ 2,317	\$ 362	\$ 632
Output (in \$ millions)	\$ 3,377	\$ 7,143	\$ 1,024	\$ 1,983
GDP (in \$ millions)	\$ 1,894	\$ 3,731	\$ 669	\$ 1,141
Establishments	4,775		483	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	6,700	38,000
Payroll (in \$ millions)	\$ 190	\$ 1,087
Output (in \$ millions)	\$ 493	\$ 2,884
GDP (in \$ millions)	\$ 274	\$ 1,621
Establishments	613	4,163

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN WISCONSIN, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	176,900	313,700
Payroll (in \$ millions)	\$ 5,837	\$ 12,467
Output (in \$ millions)	\$ 15,216	\$ 39,117
GDP (in \$ millions)	\$ 8,681	\$ 20,027
Establishments	15,775	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	149,500	257,500	27,400	56,200
Payroll (in \$ millions)	\$ 4,415	\$ 9,677	\$ 1,422	\$ 2,790
Output (in \$ millions)	\$ 11,861	\$ 30,988	\$ 3,354	\$ 8,129
GDP (in \$ millions)	\$ 6,488	\$ 15,501	\$ 2,193	\$ 4,526
Establishments	14,337		1,438	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	17,700	131,700
Payroll (in \$ millions)	\$ 581	\$ 3,834
Output (in \$ millions)	\$ 1,499	\$ 10,362
GDP (in \$ millions)	\$ 833	\$ 5,655
Establishments	1,351	12,986

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

Economic Impact of Franchised Businesses

FRANCHISING IN WYOMING, 2016

	All Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	20,400	31,400
Payroll (in \$ millions)	\$ 706	\$ 1,224
Output (in \$ millions)	\$ 1,874	\$ 4,182
GDP (in \$ millions)	\$ 1,115	\$ 2,338
Establishments	2,273	

	Business Format Franchises		Product Distribution Franchises	
	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>	<u>In Franchised Businesses</u>	<u>Because of Franchised Businesses</u>
Jobs	18,300	27,400	2,100	4,000
Payroll (in \$ millions)	\$ 582	\$ 1,009	\$ 124	\$ 215
Output (in \$ millions)	\$ 1,546	\$ 3,447	\$ 327	\$ 734
GDP (in \$ millions)	\$ 885	\$ 1,893	\$ 229	\$ 445
Establishments	2,107		167	

	In Business Format Franchises	
	<u>Franchisor Owned</u>	<u>Franchisee Owned</u>
Jobs	2,700	15,600
Payroll (in \$ millions)	\$ 80	\$ 501
Output (in \$ millions)	\$ 209	\$ 1,338
GDP (in \$ millions)	\$ 118	\$ 767
Establishments	261	1,846

Note: Job numbers have been rounded to the nearest 100. Details may not add to totals due to rounding.

APPENDIX

A. Data Sources

The key economic measures in this study are: jobs, payroll, output, GDP, and establishments. Measures of the direct impact of franchising (i.e., the economic activity in franchised businesses) were developed at the national level using a number of data sources. National-level estimates were then allocated to the state and congressional district levels, as described below.

The data sources used in this study include:

2012 Economic Census (U.S. Census Bureau) – The *Economic Census* contains data on the number of establishments, sales, jobs, and payroll broken down by industry at the national and state levels for establishments with at least one paid employee. Industry classifications are based on 2012 NAICS codes and covers 1,068 detailed industries. The *2012 Economic Census Franchise Report* provides information on the franchise status of establishments in 288 detailed industry sectors at the national level. Data include number of establishments, sales, jobs, and payroll for franchised establishments. Data for franchised establishments are broken down by franchisor-owned and franchisee-owned establishments.

The 2012 Survey of Business Owners (U.S. Census Bureau) – SBO includes data on the count and percentage of businesses that were franchised in 2012. Data are reported separately for companies with and without paid employees and are provided at the 2-digit NAICS sector level. Franchise counts were obtained for nonemployers (i.e., businesses without paid employees) and were allocated to more detailed industries based on data from the *2012 Economic Census Franchise Report*.

The Quarterly Census of Employment and Wages, 2015 (U.S. Bureau of Labor Statistics) – QCEW contains data on the number of establishments, jobs, and payroll broken down by industry at the national, state, and county levels for establishments with at least one paid employee. Industry classifications are based on 2012 NAICS codes. QCEW does not indicate whether an establishment is part of a franchise system.

Nonemployer Statistics, 2014 (U.S. Census Bureau) – NES contains data on the number of establishments at the national, State, and county levels that have no paid employees and annual business receipts of \$1,000 or more. Nonemployers are typically self-employed individuals or partnerships operating unincorporated businesses. Industry classifications are based on 2012 NAICS codes. NES does not indicate whether an establishment is part of a franchise system.

FRANdata Franchise Unit Counts (2014) – FRANdata tabulates counts of franchised units from the Franchise Disclosure Documents (FDDs) prepared by all franchisors. FDDs are the basic source of information defined by federal regulation and provided to every prospective franchisee candidate at a certain point in the decision process. They are evaluated by state business regulators and are used by lenders and other stakeholders in the franchise community. FRANdata tabulates information from the FDDs annually including the number of franchised units. Separate tabulations are available for franchisee-owned and franchisor-owned units.

The IMPLAN Model (2013 database) – IMPLAN is a regional input-output model that can address a wide range of impact topics in a given region (county, State, or the country as a whole). The model is primarily based on government data sources (Bureau of Economic Analysis, Bureau of Labor Statistics, and Census), and is used to estimate payroll, output, and contribution to GDP in franchised businesses, as well as jobs, payroll, output and contribution to GDP that exist because of franchised businesses.

Dun & Bradstreet, Marketing Data (August 2016) – D&B has information on more than 13 million business establishments in the United States. The information includes the number of establishments

and jobs at the national, State, and county levels, in addition to industry detail based on 1987 SIC codes. The database also indicates which establishments are franchised businesses, and includes a breakdown of franchise establishments into franchisor-owned or franchisee-owned. These data were used to estimate the number of franchised businesses in industries that were not covered by the *2016 Economic Census Franchise Report*.

Zip Code Business Patterns, 2014 (U.S. Census Bureau) – ZBP is part of the annual CBP release. ZBP provides counts of establishments by employment-size class at the 6-digit NAICS level for each zip code in the United States. These data were used in the mapping of county-level estimates of franchised jobs to congressional districts.

Election Data Services five-digit ZIP+DISTRICT file – Election Data Services Inc. (EDS) is a political consulting firm specializing in redistricting, election administration, and the analysis and presentation of census and political data. Among other services, EDS publishes information products on congressional and legislative district boundary files such as its *ZIP+DISTRICT* data files which link postal zip codes to congressional and legislative districts. The EDS data, along with data from the U.S. Postal Service, were used to develop mappings of zip codes to counties and congressional districts.

B. Methodology

Data Preparation

QCEW Data – PwC obtained data on total establishments and paid employment by detailed (6-digit NAICS level) industry sector for 2015 at the national, state, and county levels. The data were mapped to franchised business lines according to definitions provided in **Exhibit 1** below. At the national level, values for establishments and employment are complete within business lines. At the state and county levels, establishment counts are complete by business lines but some employment numbers are suppressed due to government concerns over disclosure. To overcome these problems, we used a two-stage raking methodology to develop state- and county-level values for establishments and employment.

For the first stage of the raking procedure, a “national” level matrix was set up with 51 rows representing the 50 states and the District of Columbia and 14 columns representing the 13 franchised business lines and the ‘all other’ industry group (industries in the ‘all other’ industry group are unlikely to have franchised businesses). Thus, an element value at the intersection of a row and a column is the total number of employees for a given state (row) and a given business line (column). When an exact total was not known for a cell, an initial starting value was estimated. Because all the element values are not exactly specified, the column totals did not match the QCEW national employment counts for businesses in the 14 business lines. Similarly the row totals did not match the QCEW state employment totals. A standard raking algorithm was used to adjust the cell values so that both column and row totals matched the corresponding QCEW business line and state employment totals.

In the second stage of the raking procedure, a similar process was run for each state. In this case, the rows of the matrix were the counties within a state, the columns are business lines within the state. Raking was performed so that the rows totaled to the QCEW employment counts within each county in the state and the columns totaled to the number of employees within each business line in the state. The state-business line employment values are obtained from the first round of raking.

After the raking process was finished, we had establishment and employee counts by business line at the national and state levels and for all counties in every state.

Exhibit 1. – Business Line Definitions

Business Line	2012 NAICS Codes
<i>Business Format Sectors</i>	
Automotive	423120-423140, 441310-441320, 488410, 532111, 532120, 811111-811113, 811118, 811121, 811122, 811191, 811192, 811198
Commercial and Residential Services	236118, 238110-238990, 541320, 541350, 561210, 561710-561740, 561790, 562111, 562119, 562910, 562991, 562998
Quick Service Restaurants	722513-722515
Table/Full Service Restaurants	722511
Retail Food	311811, 445110-445120, 445210-445230, 445291-445292, 445299, 445310, 447110, 722310-722330, 722410
Lodging	721000
Real Estate	531130, 531210, 531311, 531312, 531320, 531390
Retail Products and Services	442000-444000, 446000, 448000-453920, 453990-454000, 532200-532300, 541920, 811200, 811400
Business Services	323111, 323113, 339950, 484110, 484121, 484122, 484210, 484220, 484230, 488490, 488510, 488991, 492110, 492210, 511120, 522320, 524210, 532412, 532420, 532490, 533110, 541191, 541199, 541211, 541213, 541214, 541219, 541511, 541512, 541519, 541612, 541810, 541850, 541860, 541870, 541890, 541990, 551112, 551114, 561110, 561311, 561312, 561320, 561330, 561410, 561421, 561422, 561431, 561439, 561491, 561492, 561499, 561611, 561612, 561621, 561622, 561910, 561920, 561990, 811310
Personal Services	485310, 485320, 485510, 485999, 487110, 522310, 522390, 541940, 561510, 561520, 561599, 611420, 611430, 611511, 611519, 611610, 611620, 611630, 611691, 611692, 611699, 611710, 621610, 624110, 624120, 624410, 713120, 713940, 713950, 713990, 812111, 812112, 812113, 812191, 812199, 812210, 812220, 812310, 812320, 812910, 812921, 812922, 812930, 812990
<i>Product Distribution Sectors</i>	
Automotive and Truck Dealers	423110, 441110, 441120, 441210, 441228, 441222, 453930
Gasoline Service Stations	447190
Beverage Bottling	312111, 312112, 424810, 424820
<i>Non-Franchise Sectors</i>	
All Non-Business Format and Non-Product Distribution	All NAICS categories not listed above

Nonemployer Statistics – The Quarterly Census of Employment and Wages only covers businesses with paid employees. However, many U.S. businesses operate without paid employees. These businesses, known as nonemployers, include small family-run businesses as well as independent contractors. In 2014, according to data from the U.S. Census Bureau, 75.9 percent of all U.S. businesses were nonemployers (23.8 million nonemployers compared to 7.6 million business establishments with paid employees). In order to provide a more complete picture of franchising in the U.S., it is necessary to estimate the number of nonemployer franchises.

NES establishment values were obtained by industry at the national, state, and county levels. A raking process similar to the one used on the QCEW data was used to determine suppressed nonemployer establishment counts in the source data. PwC used data from the Bureau of Economic Analysis to estimate the number of employee equivalents per nonemployer establishment. Because nonemployer businesses can be operated as sole proprietorships, partnerships, or corporations, the number of employee/owners per establishment may exceed one. In 2014, the number of employee/owners per establishment averaged 1.5 across all franchised and non-franchised nonemployer establishments.

All Business Data for 2016 – The starting point for the estimation is the count of business establishments and employees (or employee equivalents) by business line for all business establishments. These counts were developed by adding counts of establishments and employment from the QCEW to the corresponding NES data at the national, state, and county levels. Estimates for 2014 (nonemployer establishments) and 2015 (businesses with paid employees) were forecasted through 2016 using data from the Bureau of Labor Statistic’s *Current Employment Situation* database, the *Current Population Survey* jointly conducted by the U.S. Census Bureau and the Bureau of Labor Statistics, and the Congressional Budget Office’s *Budget and Economic Outlook*.

Franchise Ratios – Data from the *2012 Economic Census Franchise Report* and *2012 Survey of Business Owners* was used to develop national-level franchise ratios by franchise business line. Separate ratios were developed for businesses with paid employees and nonemployers. Franchise ratios were developed for both establishment counts and employment and were separately estimated for franchisee-owned and franchisor-owned establishments. For industries (such as residential remodelers) that were not included in the *2012 Economic Census Franchise Report*, data from Dun & Bradstreet was used to estimate franchise ratios. Finally, for the Quick Service Restaurant business line, franchise counts implied by the *2012 Economic Census Franchise Report* were significantly lower than counts reported by other data sources. As such, the national-level franchise ratios for this business line were adjusted using more recent (2014) data from FRANdata and the QCEW.

Independent Contractors – While most independent contractors associated with franchised businesses would be accounted for above, there may be additional independent contractors that would not self-identify as franchises on the *Survey of Business Owners*. These contractors include contractors who work out of franchised establishments owned by others. PwC has estimated the number of additional independent contractors associated with franchised establishments in four industries: NAICS 531210 (Offices of Real Estate Agents and Brokers), NAICS 81211 (Hair, Nail, and Skin Care Services), NAICS 4411 (Automobile Dealers), and NAICS 4412 (Other Motor Vehicle Dealers).

In order to estimate the number of independent contractors in these industries it was assumed that nonemployers in these industries are franchised at the same rate as businesses with paid employees. In order to avoid double counting, the number of nonemployer establishments estimated above was subtracted from the initial estimates of independent contractors.

State and Congressional-District Estimates

PwC obtained data on all business establishments, franchisee-owned establishments, and franchisor-owned establishments for every county in the U.S. by detailed industry sector from Dun & Bradstreet’s (D&B) marketing database. The D&B data on franchised businesses was aggregated by franchise business line to derive national, state, and county counts of franchised establishments and employment. These estimates were then used to allocate the national-level estimates derived above to the state and county levels.

Congressional District Estimates

Using data from Election Data Services (EDS), the U.S. Postal Service, and Zip Code Business Patterns (ZBP), PwC developed a mapping tool to allocate the county-level franchised jobs and establishments to congressional districts.

PwC obtained a mapping of all the zip codes in the U.S. to congressional districts from EDS. In cases where a particular zip code falls within more than one congressional district, we have assumed that jobs and establishments in the zip code are divided equally across the congressional districts. This mapping was then merged with information from the U.S. Postal Service that lists all zip codes in the U.S. along with the state and county in which the zip code is located. Combining the two datasets provides a list of zip codes in every county, along with the congressional district that corresponds to a particular zip code. In order to determine the share of a county's total jobs and establishments in a particular business line located in a particular zip code and, thus, in a given congressional district, we used data from the 2014 ZBP release.

ZBP provides data on the total number of establishments, employment and payroll for more than 40,000 5-digit zip code areas nationwide. In addition, ZBP provides the number of establishments by employment-size class by detailed (6-digit NAICS) industry for each zip code. Using the establishment data, we constructed estimates of jobs by zip code by multiplying the number of establishments in a given size class by the midpoint of that size class and summing all size classes. The resulting database was then merged with the zip code-to-county-to-congressional district mapping.

Jobs and establishments within each zip code were aggregated first by county and then by congressional districts within a given county. Allocation percentages were then created by dividing ZBP jobs and establishments for a given congressional district within a county by total ZBP employment in the county by business line. The result was a list of percentages mapping jobs and establishments in every county to each congressional district that falls in whole or in part within that county. Separate allocation percentages were derived for each of the 13 business lines.

These allocation percentages were applied to our county-level direct impact estimates by business line to derive our estimates of franchised jobs and establishments by congressional district.

Direct Economic Impact Estimates

The outcome of the above procedures is a set of estimates of the count of franchised businesses and direct jobs in franchised businesses at the national, state, and congressional district levels for each of the 13 business lines.

The IMPLAN model was then used to estimate the direct payroll (including proprietor's income for nonemployers), output, and contribution to GDP associated with franchised jobs within each business line at all reporting levels.

Indirect Economic Impact Estimates

The IMPLAN model calculates the jobs, payroll, output, and contribution to GDP that result because of franchised businesses based on input-output tables. These calculations were done separately for franchisor-owned business format franchises, franchisee-owned business format franchises, and product distribution franchises. We adjusted the model results so that only the indirect impacts on non-franchised businesses are reported.

Indirect effects may cross geographic boundaries. The IMPLAN model for a geographic region does not capture such "spillover" effects. Therefore, the indirect effects as tentatively calculated state by state do

not add up to the overall indirect effect calculated for the United States. To correct this, cross-state "spillover" effects by industry were allocated to states in proportion to each state's share of that industry. Similarly, within a state with multiple congressional districts, the indirect effects reported for each congressional district capture only the impact of franchising activities within the congressional district. Cross-district "spillover" effects by industry were allocated within a state in proportion to each congressional district's share of that industry within the state.

C. Comparability with Previous Estimates

In February 2004, PwC released Volume I of *The Economic Impact of Franchised Businesses*, which provided measures of the total economic impact of franchised businesses in the United States using data for the year 2001. That report used data from *County Business Patterns*, *Nonemployer Statistics*, Dun & Bradstreet's *MarketPlace*, and the IMPLAN model to estimate the economic activity directly and indirectly attributable to franchised businesses. Volume II of the study, released in January 2008, used the same data sources and methodology to estimate the total economic impact of franchised businesses for the year 2005. Volume III, which provided estimates for 2007, relied on data from the *2007 Economic Census Franchise Report*, the first ever report of its kind.

Due to major changes in the underlying data sets and methodologies used in this report, the estimates contained in this report are not comparable to previous volumes of the study. In particular, as described in the appendix, the current estimates supplement the Economic Census data by incorporating more recent data and information from the QCEW, Nonemployer Statistics, FRANdata, and D&B. Furthermore, the current study uses revised business line definitions that remove some industries included in the earlier studies. It was determined that these industries were unlikely to have a significant number of franchised business establishments.

