

2016

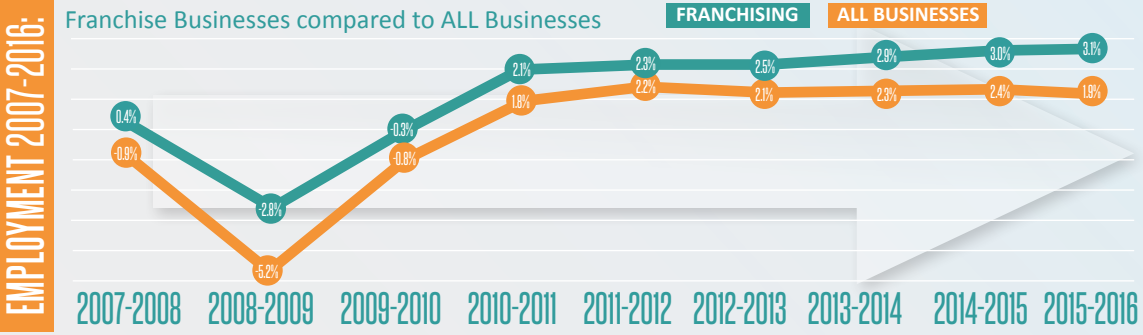
FRANCHISE BUSINESS

ECONOMIC OUTLOOK



FRANCHISING
Building local businesses,
one opportunity at a time.

Franchise Businesses Create Jobs Faster than Other Businesses



FRANCHISE BUSINESS ECONOMIC OUTLOOK



OUTPUT

The output of franchise establishments in nominal dollars in 2016 will increase 5.8 percent from \$892 billion to \$944 billion (an increase of \$52 billion).



ESTABLISHMENTS

The number of franchise establishments in the United States will increase by 1.7 percent in 2016, from 782,573 to 795,932 (an increase of 13,359).



EMPLOYMENT

The number of direct jobs in franchise establishments will increase 3.1 percent in 2016 from 8.834 million to 9.112 million (an increase of 278,000).

Source: IHS Global Insight

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Franchise Business Economic Outlook, 2007-2016

	ESTIMATES									FORECAST
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Establishments	770,835	774,016	746,646	740,098	736,114	747,359	757,857	769,782	782,573	795,932
Percent change		0.4%	-3.5%	-0.9%	-0.5%	1.5%	1.4%	1.6%	1.7%	1.7%
Direct Employment	7,994,000	8,028,000	7,800,000	7,780,000	7,940,000	8,127,000	8,334,000	8,573,000	8,834,000	9,112,000
Percent change		0.4%	-2.8%	-0.3%	2.1%	2.3%	2.5%	2.9%	3.0%	3.1%
Output	\$675 B	\$696 B	\$674 B	\$699 B	\$734 B	\$768 B	\$804 B	\$845 B	\$892 B	\$944 B
Percent change		3.2%	-3.2%	3.6%	5.0%	4.7%	4.7%	5.0%	5.6%	5.8%
GDP	\$403 B	\$410 B	\$405 B	\$414 B	\$434 B	\$453 B	\$473 B	\$496 B	\$523 B	\$552 B
Percent change		1.8%	-1.2%	2.2%	4.8%	4.4%	4.4%	4.8%	5.5%	5.6%

Franchise Business Economic Outlook by Business Lines: 2016

Source: IHS Global Insight

BUSINESS LINES	ESTABLISHMENTS		EMPLOYMENT		OUTPUT (\$ BILLIONS)	
	Amount	Percent change over prior year	Amount	Percent change over prior year	Amount	Percent change over prior year
Automotive	31,968	1.5%	199,300	3.0%	43.84	4.6%
Business Services	99,029	2.0%	1,026,700	3.3%	175.60	5.9%
Commercial & Residential Services	64,670	1.6%	384,500	2.8%	59.31	4.4%
Lodging	27,479	1.8%	771,700	2.8%	96.33	6.6%
Personal Services	115,783	1.8%	720,500	2.6%	101.53	4.9%
Quick Service Restaurants	159,839	1.5%	3,446,800	3.3%	248.28	6.3%
Real Estate	91,950	1.7%	327,800	2.4%	57.44	5.7%
Retail Food	63,840	1.5%	535,500	3.2%	44.61	4.7%
Retail Products & Services	103,130	1.9%	547,000	3.7%	46.58	6.4%
Table/Full Service Restaurants	38,244	1.6%	1,152,200	3.3%	70.09	6.3%
TOTAL	795,932	1.7%	9,111,900	3.1%	943.60	5.8%

EMPLOYMENT DISTRIBUTION BY SECTOR: 2016

Source: IHS Global Insight

