



# RSM US MIDDLE MARKET **BUSINESS INDEX**

IN PARTNERSHIP WITH THE  
U.S. CHAMBER OF COMMERCE

**Q3** 2017



**U.S. CHAMBER OF COMMERCE**



# RSM US MIDDLE MARKET BUSINESS INDEX

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U.S. CHAMBER OF COMMERCE

RSM US LLP (RSM) and the U.S. Chamber of Commerce have joined forces to present the RSM US Middle Market Business Index (MMBI)—a first-of-its-kind middle market economic index developed by RSM in collaboration with Moody's Analytics. We publish the MMBI quarterly to give voice to the middle market and raise awareness of this crucial, yet underrepresented, segment of the economy.



U.S. CHAMBER OF COMMERCE





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# RSM US MIDDLE MARKET BUSINESS INDEX DECLINES AS CONFIDENCE WANES

## RSM US LLP CHIEF ECONOMIST

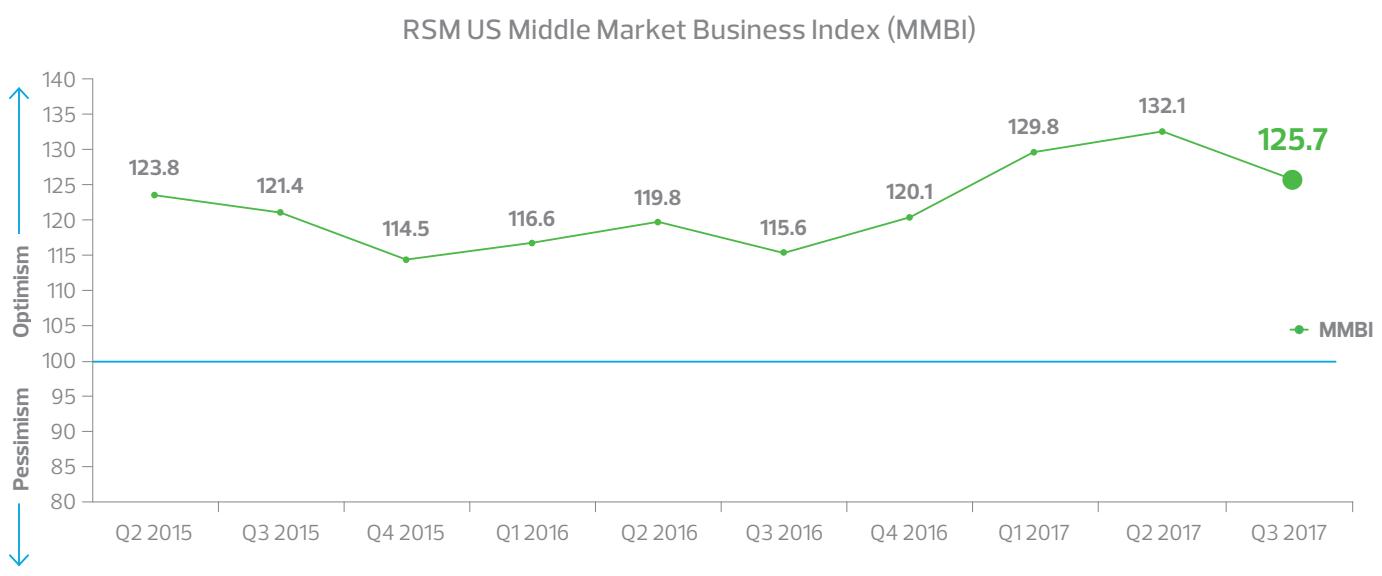


**Joe Brusuelas** is the chief economist for RSM US LLP. Brusuelas has 20 years of experience analyzing U.S. monetary policy, labor markets, fiscal policy, economic indicators and the condition of the U.S. consumer. As co-founder of the award-winning *Bloomberg Economics Brief*, Brusuelas was named one of the 26 economists to follow by the *Huffington Post*.

This publication represents the views of the author(s), and does not necessarily represent the views of RSM. This publication does not constitute professional advice.



The RSM US Middle Market Business Index (MMBI) declined to 125.7 in the third quarter from the record-high reading of 132.1 in the second quarter. This erased much of the bump in middle market optimism that followed the 2016 presidential election and implies improvement in the index during the past year is likely the result of both stronger economic fundamentals and the recovery in corporate earnings that predated the 2016 election. We think that a return to levels closer to the fourth quarter of 2016 (120.1) in the near-term isn't out of the question amid modest growth expectations and a tight labor market that is increasingly creating challenges for middle market businesses.



RSM US LLP and Harris Poll have collected data on middle market firms from quarterly surveys that began in the first quarter of 2015. The survey is conducted four times a year, in the first month of each quarter: January, April, July and October. The survey panel, the Middle Market Leadership Council, consists of 700 middle market executives, and is designed to accurately reflect conditions in the middle market. The data for each quarter are weighted to ensure that they correspond to the U.S. Census Bureau data on the basis of industry representation.

A reading above 100 for the MMBI indicates that the middle market is generally expanding; below 100 indicates that it is generally contracting. The distance from 100 is indicative of the strength of the expansion or contraction.

## HOW THE MMBI IS CONSTRUCTED

The MMBI is borne out of the subset of questions in the survey that ask middle market executives to report the change in a variety of indicators. Middle market executives are asked a total of 20 questions patterned after those in other qualitative business surveys, such as those from the Institute of Supply Management and National Federation of Independent Businesses.

The 20 questions relate to changes in various measures of their business, such as revenues, profits, capital expenditures, hiring, employee compensation, prices paid, prices received and inventories; middle market executives are asked to report the change from the previous quarter and to state the likely direction of these same indicators six months ahead. (See Table 1).

The MMBI is a composite index computed as an equal weighted sum of the diffusion indexes for 10 survey questions plus 100 to keep the MMBI from becoming negative. The index is designed to capture both current and future conditions, with five questions on middle market executives' recent experience and five on their expectations for future activity.

Once enough observations exist, each question in the index will be seasonally adjusted when stable seasonality is detected. The seasonal adjustment will be based on the Census Bureau's X-12 additive procedure and will utilize a logistic transformation.

For this adjustment, the "increase" and "decrease" percentage components of each index question will be tested for seasonality separately and adjusted accordingly if such patterns exist. If no seasonality is detected, the component will be left unadjusted.

TABLE 1: **RSM US Middle Market Business Index Questions**

1. What are your expectations regarding the general economy?
2. What are your expectations regarding your organization's gross revenues?
3. How would you describe the level of your organization's most recent quarter net earnings results?
4. What are your expectations regarding your organization's aggregate capital expenditures or investments?
5. What are your expectations regarding your organization's overall hiring levels?
6. How would you describe your organization's current employee compensation level on average?
7. How would you describe current access to credit?
8. What are your expectations regarding your organization's planned borrowing?
9. How would you describe the current general level of prices received?
10. What are your expectations regarding your organization's planned inventory levels?

# MIDDLE MARKET CONFIDENCE RETREATS

## PLANS FOR HIRING, COMPENSATION, CAPITAL EXPENDITURES AT RISK

by **Joe Brusuelas**, Chief Economist, RSM US LLP

The real economy sent a message in the third quarter: We are losing confidence and may begin pulling back on plans to hire, raise compensation and increase capital expenditures due to the lack of progress on substantial policy reform (see charts and questions, page 17).

The topline RSM US Middle Market Business Index (MMBI) eased to 125.7 in the third quarter from 132.1 in the prior quarter, erasing much of the bump in middle market business optimism that followed the 2016 presidential election.

While the outlook remains strong, the decline does imply that improvement in the overall index during the past year is likely the result of both stronger economic fundamentals and the recovery from the 2015–16 earnings recession that predated the 2016 election. Thus, we think that a return to levels closer to the fourth quarter of 2016 (120.1) in the near-term isn't out of the question amid modest growth expectations and a tight labor market that is increasingly creating challenges for middle market businesses.

It is important to note that the survey was completed prior to hurricanes Harvey and Irma. Given the hit to the petrochemical industry, the fourth quarter topline estimate will likely reflect a slowing of overall manufacturing conditions and higher energy prices during the survey period.

The details of the survey on expectations point to modest future gains for the overall economy, hiring, compensation and outlays on capital expenditures. A plurality of middle market executives indicated that the economy improved somewhat or substantially in the current survey, down from a majority in the previous quarter. This matches up well with what will likely be an expansion of nearly 3 percent in U.S. GDP in the second quarter versus what is shaping up to be a more modest expansion closer to 2 percent in the current quarter. A majority continue to forecast an improving economy during the next six months even after the loss in the aforementioned topline business optimism.

Expectations of a better economic environment are likely tied to the improvement in the outlook on net earnings. A total of 49 percent of middle market executives indicated that net earnings improved somewhat or substantially in the current quarter, down slightly from 53 percent previously. However, during the next six months, 61 percent said they expect noticeable improvement in net earnings versus 67 percent in the second quarter of the year. Even though actual performance and outlook on net earnings have decreased, we have seen a sustained increase over the past three quarters compared to last year.



On the gross revenues front, middle market executives indicated that the outlook remains positive with 54 percent noting an improvement compared with 55 percent previously, while the forward-looking six months set of questions elicited a response that suggests 65 percent of middle market executives anticipate an improved outlook versus 67 percent previously. The declines, though modest, may be linked to fading hopes for significant corporate tax reform and is an aspect of the MMBI report worth monitoring in future surveys.

The combination of an upgraded economic outlook and sustained improvement in net earnings should partially offset any loss in plans to expand linked to the lack of tax reform and infrastructure spending this year. That said, we are now somewhat concerned about the direction of hiring and compensation among middle market firms.

According to the survey, 43 percent of middle market executives reported an improvement in hiring conditions, down from 47 percent last quarter. Moreover, only 44 percent of those surveyed indicated that they expect conditions to improve six months ahead. The survey also indicated a decline in overall capital expenditures, with only 40 percent reporting improvement and less than half (46 percent) stating that they intend to increase outlays on software, equipment and intellectual capital six months ahead.

Lastly, data on pricing, inventories and borrowing showed continued stability.

In the special question portion of the survey, middle market executives indicate significant problems with a tightening labor market and the need to use outsized compensation to make hires. A stunning 72 percent reported that they were having some or substantial trouble finding qualified personnel for open positions. As a result, 64 percent indicated that they turned to higher compensation levels to attract labor. With respect to unskilled labor, 42 percent stated they had trouble filling such positions and 52 percent said they turned to offering higher compensation to obtain such labor. One big risk to the outlook for the middle market and the real economy going forward is thinner profit margins as compensation takes up a larger portion of the balance sheet.

On a more encouraging note, middle market executives responded strongly to questions on the impact of potential infrastructure spending. A super-majority stated that they saw potential business opportunities through bidding on projects related to the national energy grid, telecommunications networks, telecommunications network security, interstate highways and local roads or highways.

# MIDDLE MARKET LEADERSHIP COUNCIL SURVEY: CURRENT PERCEPTIONS AND FUTURE EXPECTATIONS

## METHODOLOGY

### WHO

- A total of 700 senior executives were recruited by Harris Poll via phone using a Dun & Bradstreet (D&B) sample
- These 700 panel members were invited by Harris Poll to participate in four surveys in a one-year period
- All middle market executives were qualified as:
  - U.S. full-time senior executive decision-maker
- Selected industries:
  - Agriculture, forestry, fishing and hunting; mining, quarrying, and oil and gas extraction; utilities; construction; manufacturing; wholesale trade; retail trade; transportation and warehousing; information; finance and insurance; real estate and rental and leasing; professional, scientific, and technical services; administrative and support and waste management and remediation services; educational services; health care and social assistance; arts, entertainment, and recreation; accommodation and food services; other services (except public administration)

- Nonfinancial or financial services company revenue \$10 million–\$1 billion
- Financial institution represented by AUM \$250 million–\$10 billion
- Involved or responsible for business strategy or financial management strategy

### WHEN

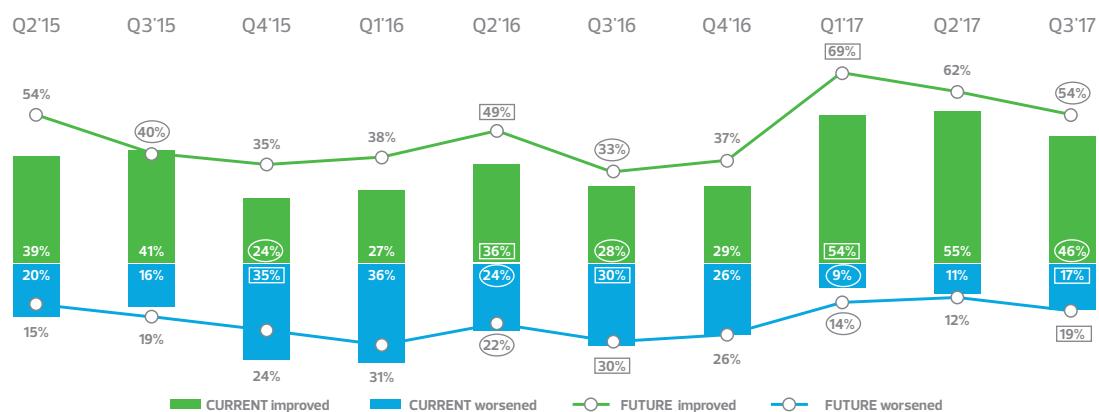
- Interviews conducted on a quarterly basis over a 12-month period

### HOW

- Potential middle market executives were emailed a link to an online survey
- Follow-up calls were made to middle market executives who did not respond to the online survey; they were given the option to complete the survey via telephone

## GENERAL ECONOMY PERFORMANCE

There was a decline in perceptions of the economy's performance. More middle market executives expect the economy to worsen six months ahead than in the prior quarter.



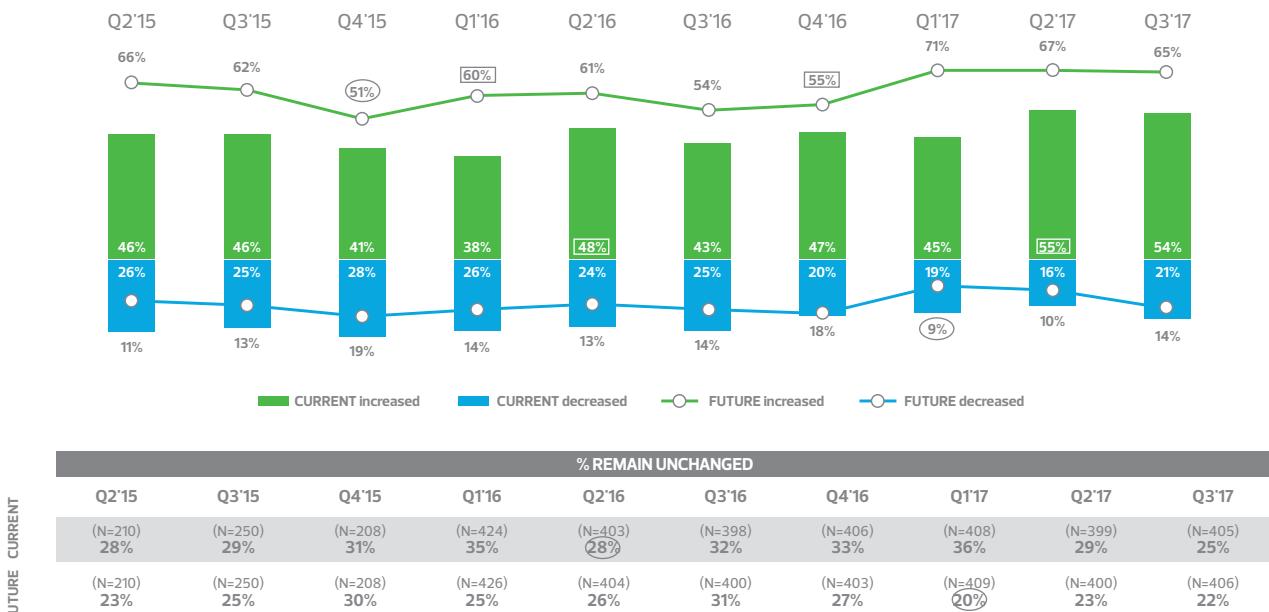
FUTURE CURRENT	% REMAIN UNCHANGED									
	Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17
(N=210)	41%	43%	41%	37%	41%	42%	45%	37%	34%	37%
(N=210)	31%	41%	41%	31%	29%	37%	36%	17%	26%	27%

- First, thinking about the general economy this quarter versus last quarter, how would you describe the current general economy? Would you say the general economy has...
- What are your expectations regarding the general economy over the next six months? Do you expect the general economy will...

SQUARE/CIRCLE = Significantly higher/lower than previous quarter, respectively.

## GROSS REVENUE PERFORMANCE

Gross revenue performance remains largely on par with the previous quarter.

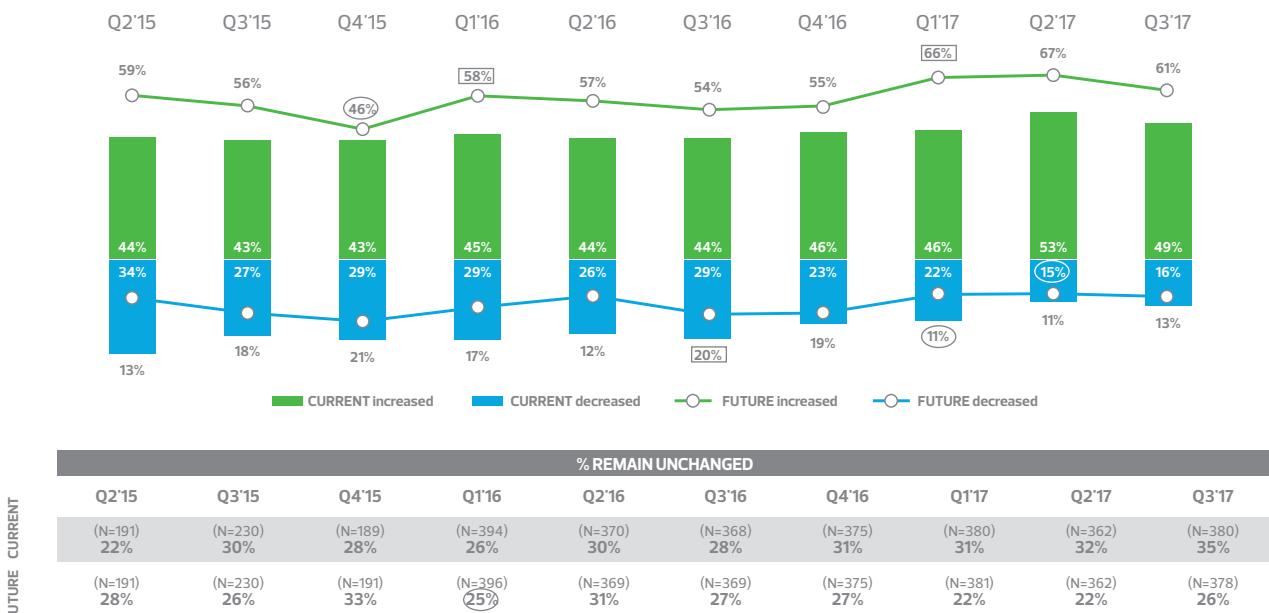


- Thinking about your organization's gross revenues/all incoming funds this quarter versus last quarter, how would you describe current gross revenues/all incoming funds? Would you say gross revenues/all incoming funds have ...
- What are your expectations regarding your organization's gross revenues/all incoming funds over the next six months? Do you expect gross revenues/all incoming funds to ...

SQUARE/CIRCLE = Significantly higher/lower than previous quarter, respectively.

## NET EARNINGS PERFORMANCE

Current net earnings performance declined slightly versus last quarter, and the middle market remains optimistic for future earnings with 61 percent anticipating increases six months ahead.

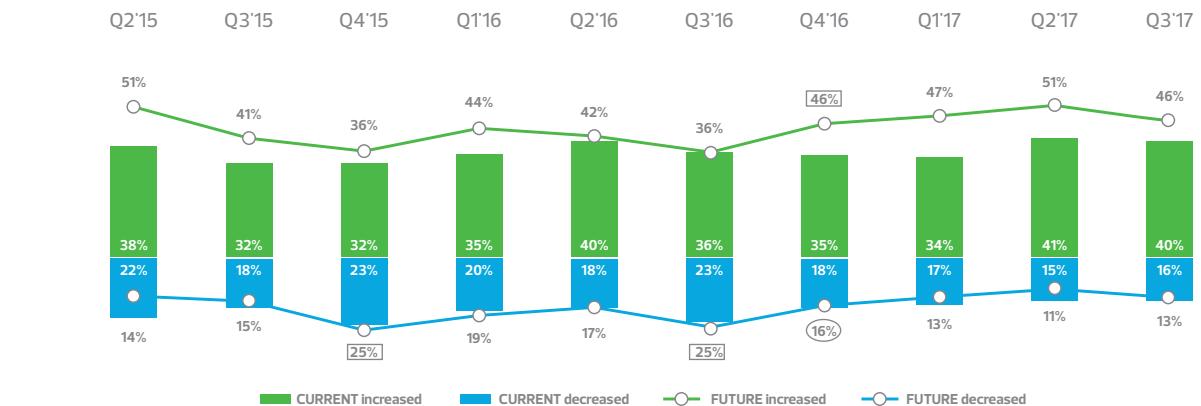


- Thinking about your organization's net earnings (after expenses, etc.) for the most recent quarter results versus the prior quarter results, how would you describe the level of your most recent quarter net earnings results? Would you say net earnings results have ... (among those not nonprofits)
- What are your expectations regarding your organization's net earnings results (after expenses, etc.) over the next six months? Do you expect net earnings results to ... (among those not nonprofits)

SQUARE/CIRCLE = Significantly higher/lower than previous quarter, respectively.

## AGGREGATE CAPITAL EXPENDITURES/INVESTMENTS PERFORMANCE

Although aggregate capital expenditures/investments remained steady, it's worth monitoring the percent of those who anticipate decreasing future capex and investment.



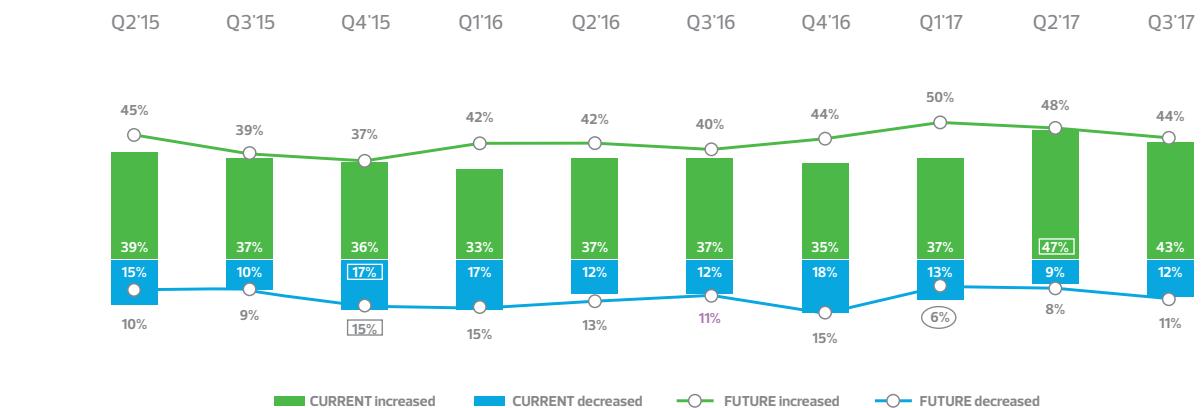
% REMAIN UNCHANGED									
CURRENT		FUTURE		CURRENT		FUTURE		CURRENT	
Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17
(N=209) 40%	(N=250) 50%	(N=207) 45%	(N=424) 45%	(N=403) 42%	(N=399) 41%	(N=404) 47%	(N=407) 49%	(N=398) 44%	(N=405) 44%
(N=210) 35%	(N=252) 44%	(N=207) 39%	(N=425) 37%	(N=404) 42%	(N=400) 39%	(N=405) 37%	(N=407) 40%	(N=399) 38%	(N=405) 41%

- Thinking about your organization's aggregate capital expenditures or investments this quarter versus last quarter, how would you describe your organization's current capital expenditures/investments? Would you say capital expenditures/investments have ...
- What are your expectations regarding your organization's aggregate capital expenditures or investments over the next six months? Would you say capital expenditures/investments will ...

SQUARE/CIRCLE = Significantly higher/lower than previous quarter, respectively.

## OVERALL HIRING LEVELS

Forty-three percent of middle market executives reported an improvement in hiring conditions. Only 44 percent indicated they expect conditions to improve six months ahead.



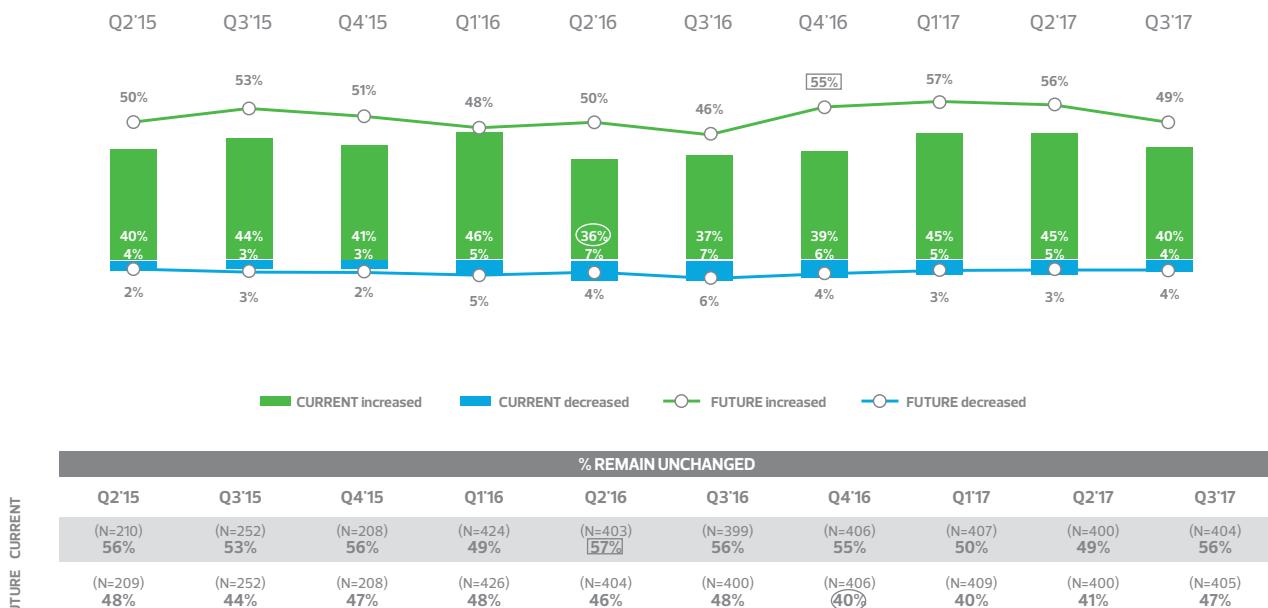
% REMAIN UNCHANGED									
CURRENT		FUTURE		CURRENT		FUTURE		CURRENT	
Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17
(N=210) 46%	(N=251) 53%	(N=209) 47%	(N=426) 51%	(N=404) 51%	(N=400) 51%	(N=405) 47%	(N=409) 50%	(N=400) 44%	(N=406) 45%
(N=210) 45%	(N=251) 48%	(N=209) 48%	(N=426) 43%	(N=404) 44%	(N=400) 50%	(N=405) 41%	(N=409) 43%	(N=400) 44%	(N=406) 45%

- Thinking about your organization's overall hiring levels this quarter versus last quarter, how would you describe your current hiring levels? Would you say hiring levels have ...
- What are your expectations regarding your organization's overall hiring levels over the next six months? Do you expect hiring levels to ...

SQUARE/CIRCLE = Significantly higher/lower than previous quarter, respectively.

## EMPLOYEE COMPENSATION

Forty percent of executives reported increasing compensation this quarter, and 49 percent expect to during the next six months, down from 56 percent in the prior quarter.

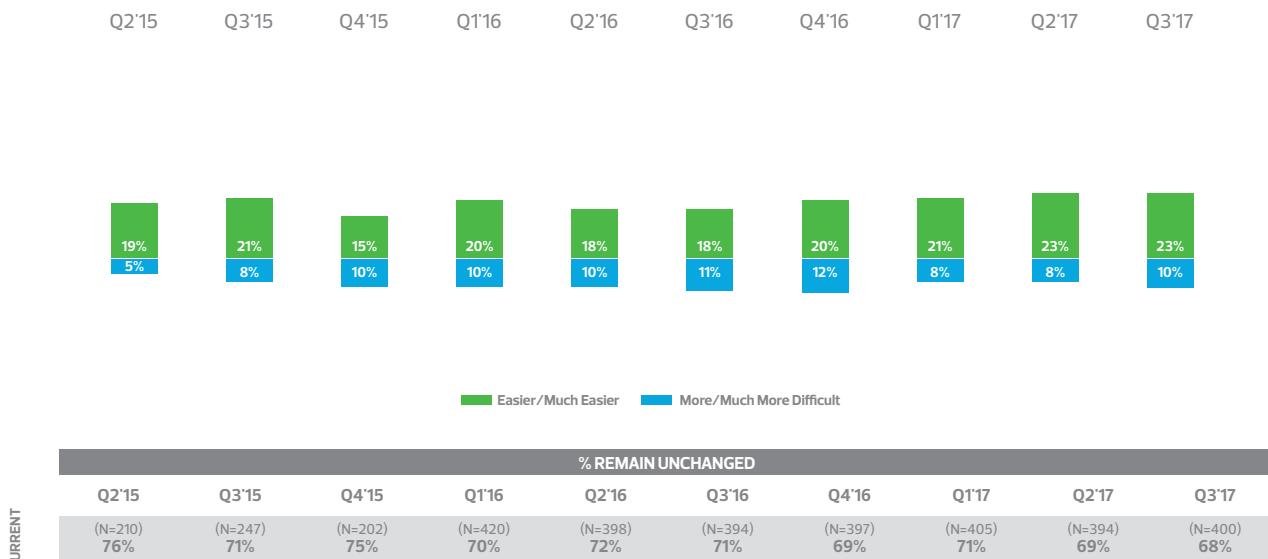


- Thinking about employee compensation at your organization this quarter versus last quarter, how would you describe the current employee compensation level on average? Would you say employee compensation, on average, has...
- What are your expectations regarding your organization's employee compensation over the next six months? Would you say employee compensation, on average, will...

SQUARE/CIRCLE = Significantly higher/lower than previous quarter, respectively.

## ACCESS TO CREDIT

Similar to previous quarters, access to credit has remained unchanged.

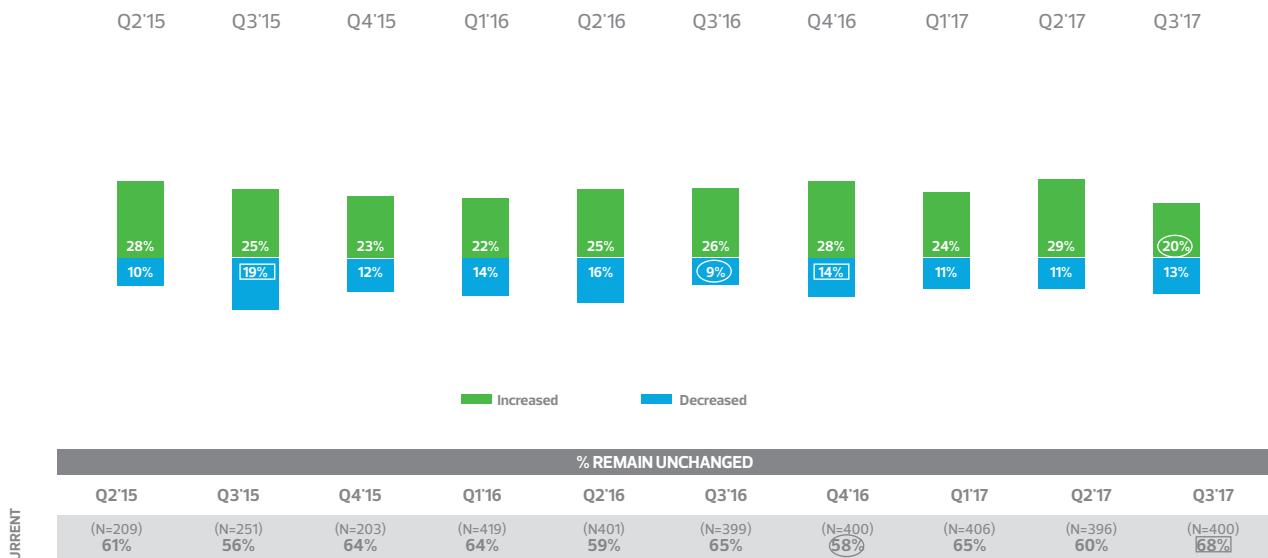


- Thinking about the availability or ease with which your organization can borrow money this quarter versus last quarter, how would you describe current access to credit? Would you say that accessing credit is...

SQUARE/CIRCLE = Significantly higher/lower than previous quarter, respectively.

## PLANNED BORROWING

Fewer expect planned borrowing to increase compared to last quarter, and more expect levels to remain unchanged.

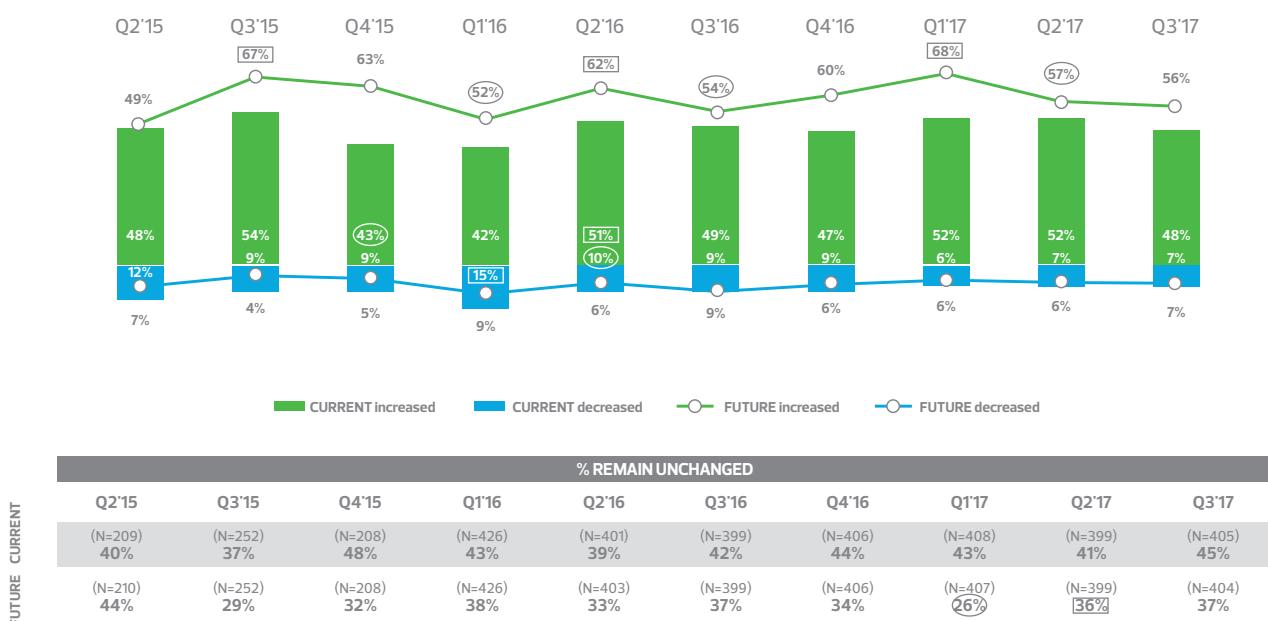


· What are your expectations regarding your organization's planned borrowing over the next six months? Would you say your organization's borrowing will...

SQUARE/CIRCLE = Significantly higher/lower than previous quarter, respectively.

## AMOUNT PAID FOR GOODS AND SERVICES (EXCEPT LABOR)

Amount paid for goods and services remains on par with the previous quarter.



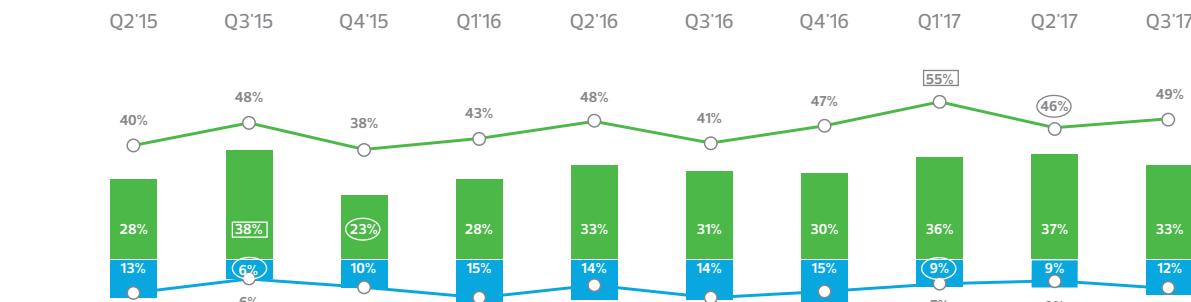
· Thinking about the prices that your organization pays for all goods and services, except labor, this quarter versus last quarter, how would you describe the current general level of prices paid? Would you say prices paid, on average, have...

· What are your expectations regarding the general level of prices that your organization will pay for all goods and services, except labor, over the next six months? Would you say prices paid, on average, will...

SQUARE/CIRCLE = Significantly higher/lower than previous quarter, respectively.

## AMOUNT RECEIVED FOR GOODS AND SERVICES

Amount received for goods and services largely mirrors the previous quarter.



■ CURRENT increased ■ CURRENT decreased ■ ○ FUTURE increased ■ ○ FUTURE decreased

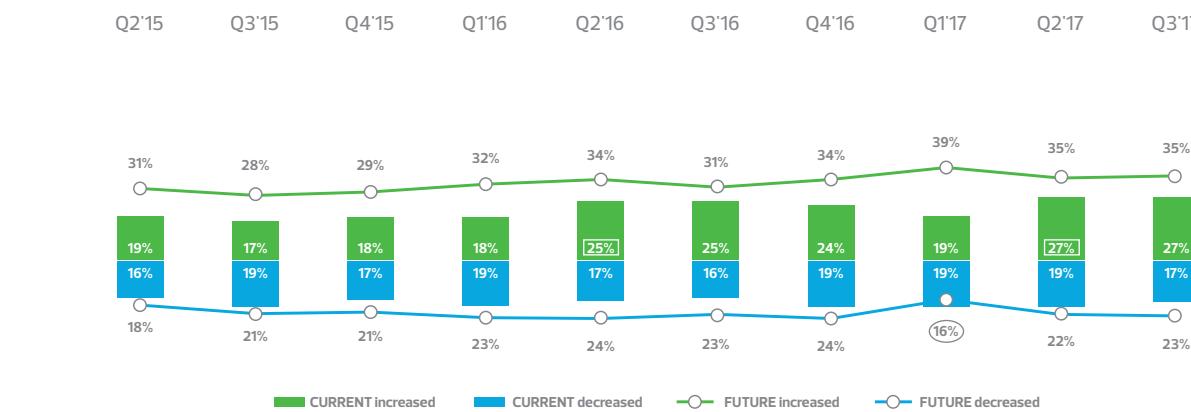
% REMAIN UNCHANGED											
FUTURE CURRENT		Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17
(N=189)	59%	(N=230)	56%	(N=191)	67%	(N=396)	57%	(N=370)	54%	(N=381)	55%
(N=189)	45%	(N=230)	46%	(N=191)	53%	(N=396)	44%	(N=370)	45%	(N=381)	38%

- Thinking about the prices that your organization received for all of its goods and services this quarter versus last quarter, how would you describe the current general level of prices received? Would you say prices received by your organization, on average, have ... (among those not nonprofits)
- What are your expectations regarding the general level of prices that your organization will receive for all goods and services over the next six months? Would you say the prices received by your organization, on average, will ... (among those not nonprofits)

SQUARE/CIRCLE = Significantly higher/lower than previous quarter, respectively.

## INVENTORY LEVELS

Current inventory will remain steady.



■ CURRENT increased ■ CURRENT decreased ■ ○ FUTURE increased ■ ○ FUTURE decreased

% REMAIN UNCHANGED											
FUTURE CURRENT		Q2'15	Q3'15	Q4'15	Q1'16	Q2'16	Q3'16	Q4'16	Q1'17	Q2'17	Q3'17
(N=210)	38%	(N=252)	33%	(N=209)	33%	(N=426)	35%	(N=402)	29%	(N=408)	40%
(N=155)	52%	(N=174)	51%	(N=141)	50%	(N=310)	45%	(N=286)	42%	(N=317)	45%
% DO NOT HAVE INVENTORY											
(N=210)	26%	(N=252)	31%	(N=209)	32%	(N=426)	27%	(N=402)	29%	(N=408)	22%
(N=210)	26%	(N=252)	31%	(N=209)	32%	(N=426)	27%	(N=399)	20%	(N=400)	18%
(N=210)	26%	(N=252)	31%	(N=209)	32%	(N=426)	27%	(N=402)	29%	(N=408)	19%
(N=210)	26%	(N=252)	31%	(N=209)	32%	(N=426)	27%	(N=399)	20%	(N=405)	21%

- Thinking about your organization's inventory levels this quarter versus last quarter, how would you describe current inventory levels? Would you say inventory levels have ...
- What are your expectations regarding your organization's planned inventory levels over the next six months? Would you say your inventory levels will ... (among those that have inventory)

SQUARE/CIRCLE = Significantly higher/lower than previous quarter, respectively.

## CHANGES IN POLICY AREAS HAVING POSITIVE/NEGATIVE IMPACT ON ORGANIZATIONS

Tax reform and health care reform are the top two responses in both the positive and negative impacts—representing the large opportunity and challenge with enacting changes in these areas.

TOP POLICY AREAS HAVING POSITIVE IMPACT ON ORGANIZATION	Number of mentions
Tax reform/reduction	77
Health care reform (reducing regulations, policy changes)	64
Infrastructure spending	31
Environmental restrictions	20
Labor laws/rules	20
Trade regulations	20
Government (reducing federal restrictions)	19
Energy regulations/restrictions	19
Dodd-Frank rollback	16
Immigration reform	15

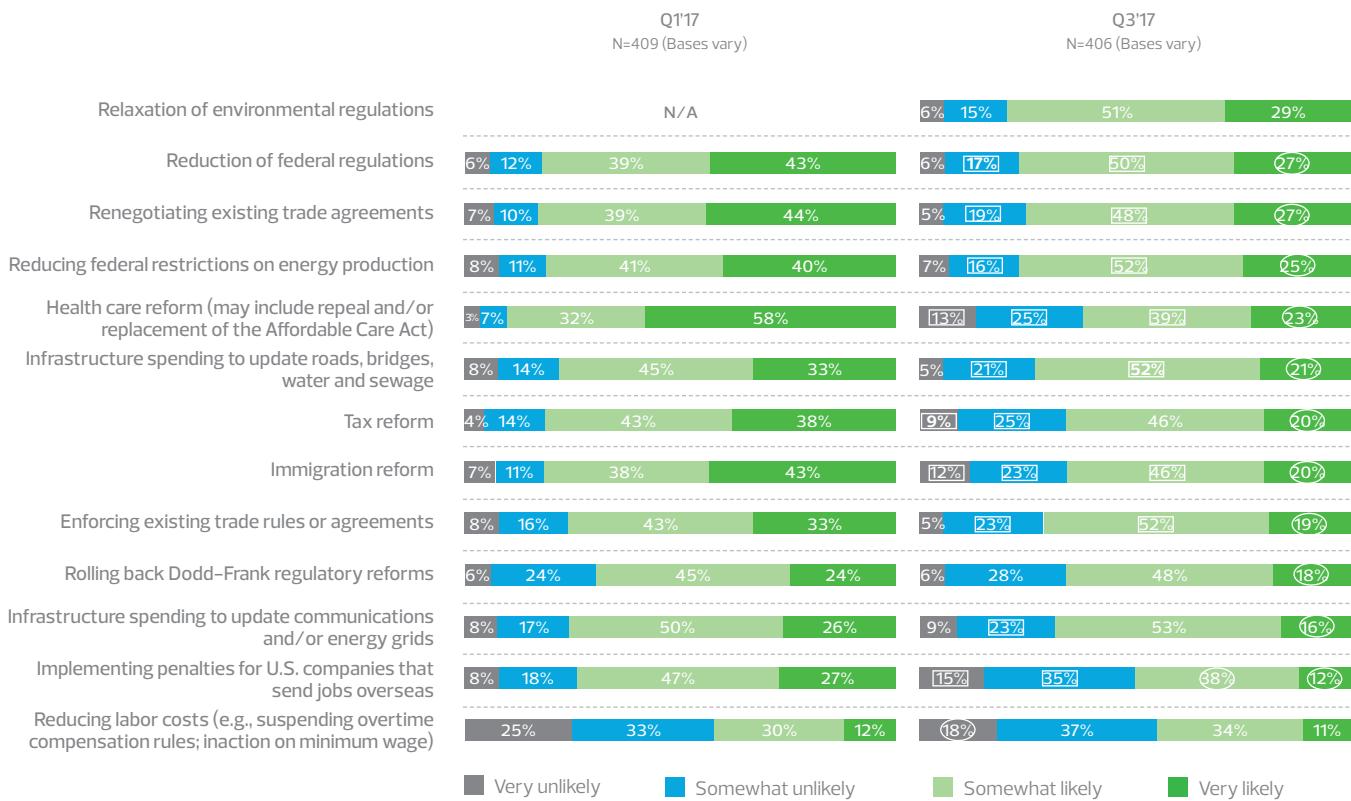
TOP POLICY AREAS HAVING NEGATIVE IMPACT ON ORGANIZATION	Number of mentions
Health care reform (uncertainty, increasing costs)	85
Taxes reform/policies (increases)	40
Labor regulations/wages (increase minimum wage, overtime rule)	38
Trade agreement/relations	38
Immigration (penalties, restrictions)	33
Government (federal regulations)	18
Environment (not reducing regulations)	16

In what policy areas, if any, could changes have **positive** impacts for your organization?

In what policy areas, if any, could changes have **negative** impacts for your organization?

## LIKELIHOOD OF SUBSTANTIAL POLICY CHANGES DURING THE NEXT TWO YEARS

Compared to Q1'17, middle market leaders are less likely to believe they'll see substantial policy changes.



SQUARE/CIRCLE = Significantly higher/lower than previous quarter, respectively.

How likely do you believe substantial policy changes are in the following areas during the next two years?

# MIDDLE MARKET LEADERSHIP COUNCIL TOPICAL SURVEY QUESTIONS

## MIDDLE MARKET SEES OPPORTUNITY IN INFRASTRUCTURE MODERNIZATION

by **Joe Brusuelas**, Chief Economist, RSM US LLP

Our special questions in the third quarter on middle market business opportunities associated with a possible federal infrastructure initiative indicate widespread enthusiasm and support for the modernization of the U.S. business infrastructure. Given that 59 percent of those who ranked one or more items as a significant opportunity reported they would participate in the bidding process, it is clear that the middle market is enthusiastic about future business opportunities associated with infrastructure modernization, and in our estimation will demand a fair and full opportunity to bid on such projects.

Based on the data, most middle market businesses note that infrastructure improvements would positively impact day-to-day operations. Middle market executives indicate that it's not just roads, bridges and waterways that need to be repaired or brought up to standard. There is an increased focus on infrastructure designed to support the new economy, or what we refer to as "Big I"—the construction of modern broadband, wireless and 5G networks that will support the evolution of industries across the economy that will define the U.S. economy for the next generation.

Thus, it isn't surprising that 65 percent of middle market executives expect to see new business opportunities associated with modernization of the energy grid, 72 percent in telecommunications networks (access, speed, etc.), and 70 percent in telecommunications network security. To anyone who follows the fortunes of the U.S. middle market, this should come as no surprise. The middle market is among the most dynamic and innovative parts of the U.S. economy, and the fact that this cohort is projecting a positive and productive forward look at its own business opportunities aligned with a significant federal initiative is an indication of the positive returns ahead if a serious and significant infrastructure modernization project is put in place during the next two years.

That said, the need for repair and upgrading of the basic infrastructure, what we refer to as "Little I"—the renovation of roads, bridges, ports, rail and air networks, water and sewage systems"—is also clearly evident in the survey. This is illustrated by the 72 percent of middle market executives who expect modernization of the interstate highway system will provide an opportunity for growth. Across other areas of "Little I"—local roads or highways (70 percent), major airport hubs (59 percent), regional and local airports (61 percent), railway systems for freight and commercial transport (53 percent), local commuter and

light rail systems (54 percent), public transportation in major metropolitan areas (54 percent), water and sewage systems (59 percent), bridges, viaducts and overpasses (62 percent), ports for commercial traffic and shipping (52 percent) and sidewalks, curbs, ramps and other forms of pedestrian traffic (50 percent)—all are anticipated to provide opportunities for expanding business activity.

## MORE PRIVATE INVESTMENT CAN HELP US TACKLE OUR NATION'S GROWING INFRASTRUCTURE DEFICIT



by **Ed Mortimer**, executive director of transportation and infrastructure for the U.S. Chamber of Commerce

For years, the U.S. Chamber of Commerce has supported meaningful action to reinforce our once-unequalled infrastructure, and we've continued to offer a slate of potential solutions to prove it. Now comes the tough part: In order to turn ideas into action, America needs to make a significant commitment and investment. So how do we pay for it?

There are a number of answers to that question, including direct federal funding, revolving loan programs, tax-preferred financing, and public-private partnerships (known as P3s). The best infrastructure funding solution would make use of all of these options. And let's not forget about the gas tax. It hasn't been raised since 1993. It will take courage on the part of lawmakers to raise it, but it's a common-sense option that should be on the table. Moreover, a long-term, sustainable source for funding the Highway Trust Fund should serve as the anchor for any plan.

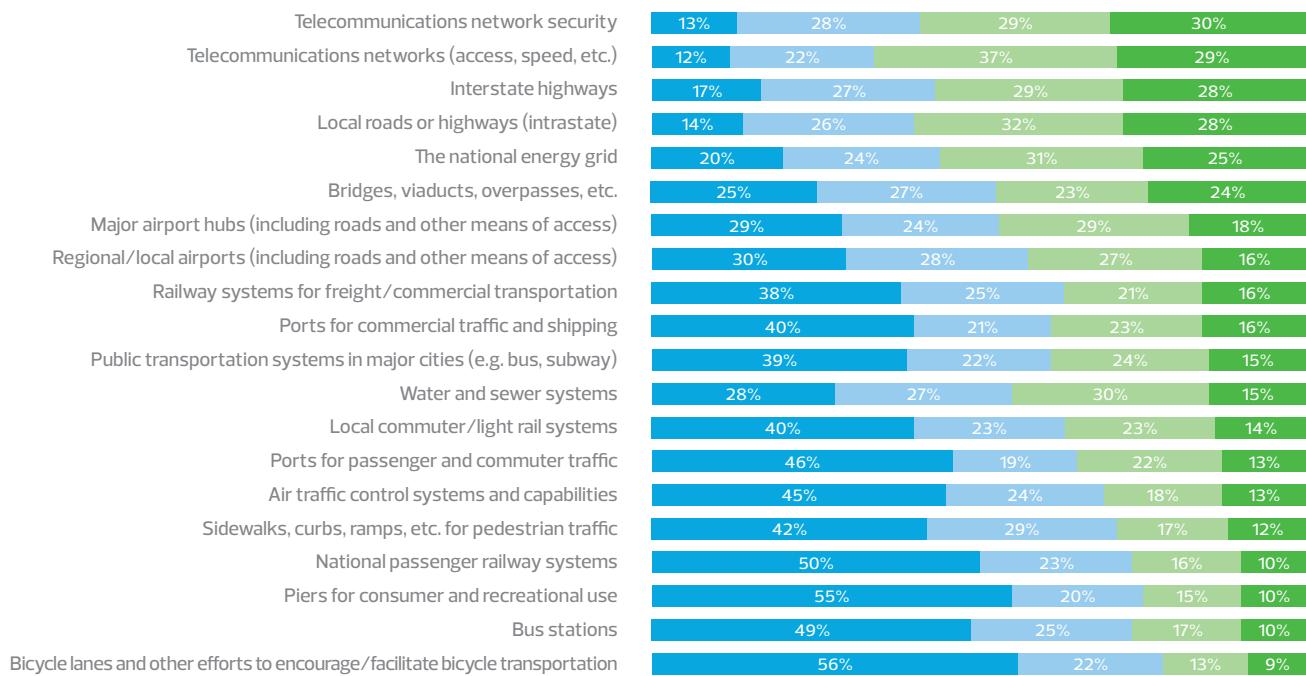
Outside of increased federal investment, there is a great opportunity to encourage more successful private investment. From the I-495 Capital Beltway High-Occupancy Toll Lanes project in Fairfax County, Va., to the Port of Miami Tunnel, to the Eagle Public Transportation project in Denver and the 91 Express Lanes in Orange County, Calif., examples of successful, entrepreneurial, public-private projects abound.

*(This commentary originally ran on InsideSources)*

## EXTENT OF ANTICIPATED BENEFIT INFRASTRUCTURE IMPROVEMENTS WILL HAVE ON THE ORGANIZATION'S DAY-TO-DAY FUNCTIONS

Areas most likely to significantly benefit day-to-day functions or activities of middle market companies are *telecommunications network security/improvements*, and *interstate or local roads and highways*.

**TOTAL**  
N=406 (Bases vary)



■ Little or no benefit

■ Minor benefit

■ Moderate benefit

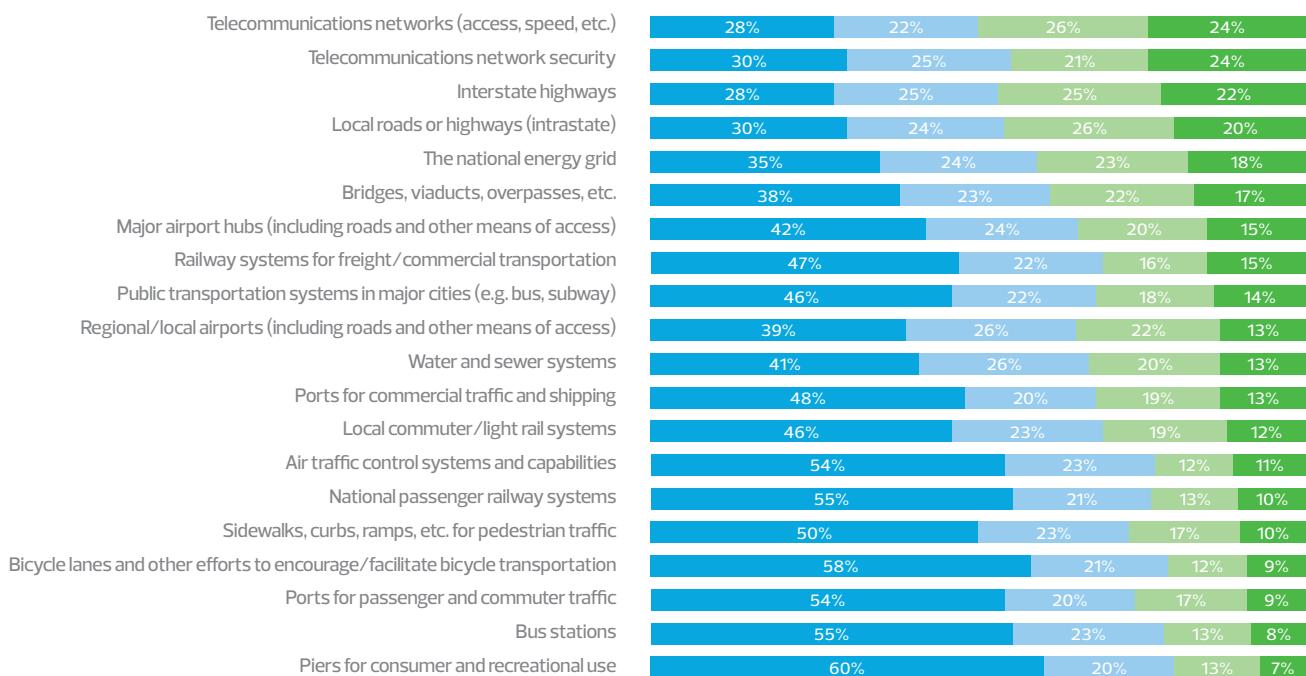
■ Significant benefit

What benefit, if any, would the following infrastructure improvements have for your organization's overall ability to perform its day-to-day functions or activities?

## EXTENT OF OPPORTUNITY INFRASTRUCTURE INITIATIVES WOULD CREATE FOR THE ORGANIZATION

Similar to the anticipated benefits, areas most likely to provide opportunities for middle market companies are *improvements to telecommunication networks and network security*, *interstate highways*, and *local roads or highways*.

**TOTAL**  
N=406 (Bases vary)



■ Little or no opportunity

■ Minor opportunity

■ Moderate opportunity

■ Significant opportunity

How much of an opportunity, if any, do you think each of the following infrastructure initiatives would be for your organization, if it happens?

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