



# From Awareness to Impact

## 2015 ANNUAL REPORT



NATIONAL CENTER FOR  
THE MIDDLE MARKET

In Collaboration With



# Contents

<b>Welcome Letter</b>	<b>3</b>
<b>The National Center for the Middle Market</b>	<b>4</b>
<b>The U.S. Middle Market</b>	<b>8</b>
<b>Media</b>	<b>10</b>
<b>Research</b>	<b>12</b>
Featured Research Project	16
<b>Policy</b>	<b>18</b>
<b>Metropolitan Area Outreach</b>	<b>22</b>
<b>Middle Market Indicator</b>	<b>26</b>
<b>Student Education</b>	<b>30</b>
<b>Partnerships</b>	<b>36</b>
Featured Partnership	38
<b>Events</b>	<b>40</b>
National Middle Market Summit	42
Middle Market Export Performance Event	43
<b>Future Plans</b>	<b>44</b>
<b>Center Governance</b>	<b>46</b>

Copyright © 2015 The Ohio State University. All rights reserved. This publication provides general information and should not be used or taken as business, financial, tax, accounting, legal, or other advice, or relied upon in substitution for the exercise of your independent judgment. For your specific situation or where otherwise required, expert advice should be sought. The views expressed in this publication reflect those of the authors and contributors, and not necessarily the views of The Ohio State University or any of their affiliates. Although The Ohio State University believes that the information contained in this publication has been obtained from, and is based upon, sources The Ohio State University believes to be reliable, The Ohio State University does not guarantee its accuracy, and it may be incomplete or condensed. The Ohio State University makes no representation or warranties of any kind whatsoever in respect of such information. The Ohio State University accepts no liability of any kind for loss arising from the use of the material presented in this publication.



*“Together, we have made great strides in expanding the reach and influence of the NCMM locally and throughout the country this past year.”*

### **DEAR COLLEAGUES,**

In the four years since GE Capital and The Ohio State University Fisher College of Business first partnered to create the National Center for the Middle Market (NCMM), we have witnessed tremendous success as our Center has evolved into a proven leader and advocate for the U.S. middle market.

The commitment GE Capital demonstrated in helping to create, launch and support the NCMM has been incredible. Now, as GE exits the middle market business, I want to take this opportunity to recognize and thank all those at GE Capital whose tireless efforts helped establish and shape the Center into the powerful voice it is today.

This successful partnership between GE and Fisher has been instrumental in producing impactful tools such as the Middle Market Indicator, publishing key research on issues such as talent, finance, innovation and operational excellence, and increasing the depth, breadth and awareness of our nationwide advocacy.

As an example, representatives from the NCMM along with middle market CEOs traveled to Washington, D.C. in October and met with White House officials to discuss infrastructure, workforce development, budget, and trade. The trip also provided the delegation the opportunity to brief Congressional leaders on tax and trade policies and capital access and to meet with representatives of the Congressional Caucus for Middle Market Growth.

Here at Fisher, a number of key initiatives continue to underscore our commitment to preparing the next generation of middle market leaders. This past year, hundreds of students participated in the Fisher Invitational Case Competition and the Middle Market Cluster. The annual competition drew MBA candidates from universities across the country to Fisher, while the Cluster connected students with companies such as the Columbus Blue Jackets and Noodles & Company for projects that provided applicable insights for our corporate partners and real-world experience for our students.

Together, we have made great strides in expanding the reach and influence of the NCMM locally and throughout the country this past year. The following report is a snapshot of these accomplishments.

As we look ahead to 2016, I am excited by the new partnerships and collaborations that will continue our important mission of providing critical insights and analyses that drive growth, increase competition and create jobs in the middle market.

Sincerely,

**Dr. Anil K. Makhija**

Dean and John W. Berry, Sr. Chair in Business  
The Ohio State University Fisher College of Business



# Moving Beyond Awareness Toward Impact

Four years into its life, the National Center for the Middle Market is expanding its reach and ambitions, with a new focus on major metropolitan areas and a clearly defined goal to make a measurable, significant impact on the health of the middle market.

At the time of the Center's founding in 2011, the U.S. middle market labored largely in obscurity, its contributions to economic growth and employment overlooked. Although few in number—middle market businesses account for just 3% of all companies in the nation—the middle market is clearly mighty, driving economic and job growth in cities and states across the country and accounting for a third of U.S. employment and GDP. Recognizing the significance of this historically overlooked segment, GE Capital and The Ohio State University Fisher College of Business came together in a multi-year partnership to define, study, and champion the U.S. middle market, giving these companies the voice they need and working to build recognition in political, business, and academic circles.

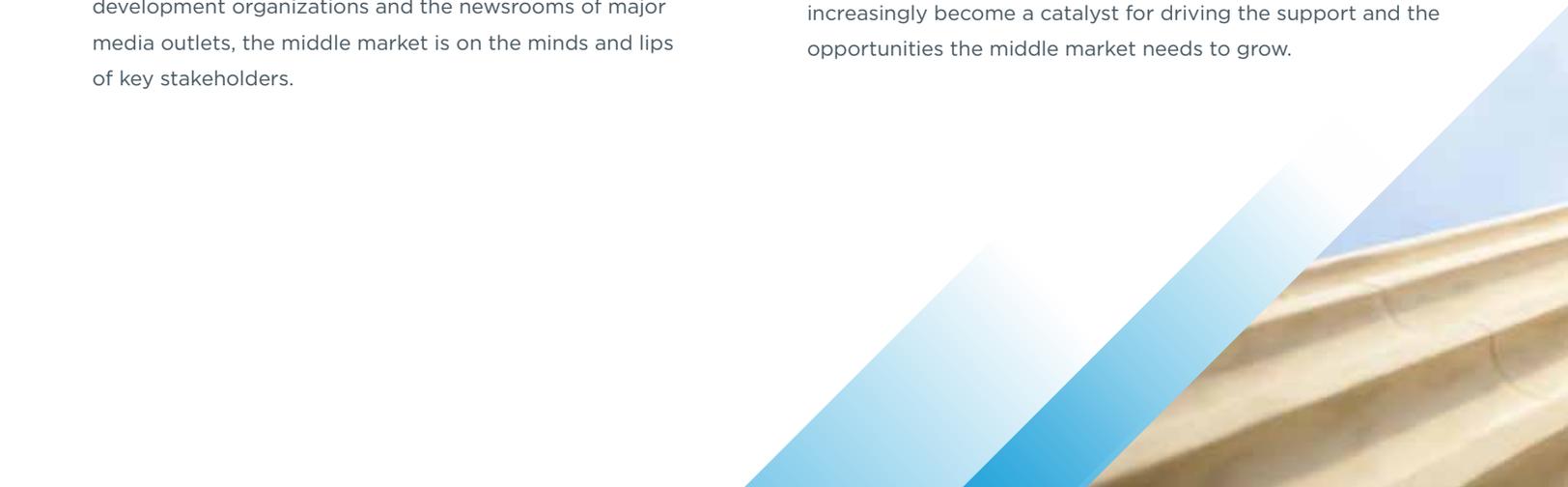
While there is still much work to be done, the middle market is now firmly on the map. The Center and its partners have sparked an ongoing, robust national dialogue about the U.S. middle market. From Capital Hill, to the nation's leading research institutions, to the boardrooms of influential economic development organizations and the newsrooms of major media outlets, the middle market is on the minds and lips of key stakeholders.

And this year, a clear transition has begun. The Center's work now focuses on creating impact as well as awareness. Efforts are more acutely concentrated on paving the way for the continued growth and success of U.S. middle market firms. To that end:

- 
- + The Center, armed with four years of economic data, is increasingly able to demonstrate the importance of the middle market to policymakers and national, state, and local leaders.
  - + The Center and its partners are steadily creating a robust body of knowledge tailored to the specific needs and purposes of middle market companies.
  - + Business leaders are building relationships with each other and leveraging Center knowledge and tools to enhance their growth and success.
  - + Top business school students are connecting with middle market firms and looking to these businesses for their future career prospects.
  - + And the media is telling the world the whole compelling story.

---

The National Center for the Middle Market is the nation's first and foremost expert on the middle market. It will continue to be the leading source for middle market information and will increasingly become a catalyst for driving the support and the opportunities the middle market needs to grow.



---

## ABOUT THE CENTER



### VISION

We ensure the vitality and robustness of middle market companies are fully recognized as fundamental to our nation's economic outlook and prosperity.



### MISSION

We help middle market companies grow by developing—through a broad network of partnerships—extraordinary content, vital supportive networks and communities, and valuable programs that improve their competitiveness and performance.



## 2015 Center Accomplishments

In 2015, the Center aimed to close the loop between insight and impact, using findings and new knowledge to drive results for middle market companies.

BRIEFINGS FOR MEMBERS OF CONGRESS AND THEIR STAFFS ON **TAX AND TRADE POLICIES AND CAPITAL ACCESS**

**4** RESEARCH PROJECTS ON KEY MIDDLE MARKET ISSUES:

TALENT, FINANCE, INNOVATION, AND OPERATIONAL EXCELLENCE

**20** INDUSTRY AND ORGANIZATIONAL PARTNERS

ISSUES 12, 13, 14, AND 15 OF THE **MIDDLE MARKET INDICATOR**

FIRST FACE-TO-FACE MEETING AT THE **WHITE HOUSE** BETWEEN MIDDLE MARKET EXECUTIVES AND EXECUTIVE BRANCH LEADERS

**1<sup>ST</sup>** CENTRAL OHIO MIDDLE MARKET EXPORT SUMMIT

**60** MIDDLE MARKET EVENTS IN 10 STATES

**24** PARTNER EVENTS REACHING 3,900 MIDDLE MARKET EXECUTIVES

COMPREHENSIVE STUDY OF THE MIDDLE MARKET IN **ILLINOIS AND CHICAGOLAND**

**4<sup>TH</sup>**

**NATIONAL MIDDLE MARKET SUMMIT** FOR 1000+ MIDDLE MARKET EXECUTIVES AND STAKEHOLDERS

**250** BUSINESS STUDENTS

THROUGH EVENTS SUCH AS THE 23<sup>RD</sup> ANNUAL FISHER INVITATIONAL CASE COMPETITION AND MIDDLE MARKET INDUSTRY CLUSTER PROGRAM

## CENTER RELATIONSHIPS



### MIDDLE MARKET COMPANIES

Fostering growth, increasing competitiveness, developing leaders, and fueling job creation



### POLICYMAKERS

Supplying data, perspective, and critical insights on middle market issues that shape policy and regulation



### ECONOMIC DEVELOPMENT ORGANIZATIONS

Offering insights to grow middle market companies through research and events



### ACADEMIC RESEARCHERS

Offering opportunities to undertake meaningful, journal-quality research relevant to middle market companies



### STUDENTS

Providing information and access to stable, rewarding career destinations in the middle market



### MEDIA AND THOUGHT LEADERS

Serving as a trusted source of middle market research, data, and thought leadership





## The Middle Market Leads America

Since the National Center for the Middle Market began researching America's mid-sized businesses in 2011, we have again and again documented the fact that mid-sized companies are the growth engines of national, state, and local economies, consistently outpacing both small business and the S&P 500 in terms of revenue and employment growth. Across the nation and close to home, the middle market is the most dynamic economic force in play today.

The U.S. middle market is defined by companies with annual revenue between \$10 million and \$1 billion. It is an incredibly diverse market, spanning all industry segments and encompassing publically and privately held companies, family-owned businesses, partnerships, and sole proprietorships. The middle market represents just 3% of all U.S. companies, but it accounts for a third of U.S. private sector gross domestic product (GDP) and jobs.

While the middle market is the heartbeat of the economy, the companies that comprise it contend with a unique set of strategy and leadership challenges, ranging from having the name recognition to attract top talent, to absorbing the costs associated with government regulations, to accessing the resources and expertise needed to expand globally. Today, these businesses and their specific issues enjoy greater awareness than ever before. More policymakers, economic development organizations, media outlets, and business students recognize the middle market's significance and are doing their part to support the continued growth and success of this highly dynamic sector.



## U.S. Middle Market Impact



**33%**  
OF PRIVATE  
SECTOR GDP



**5<sup>TH</sup> LARGEST**  
GLOBAL ECONOMY



**1.95+**  
**MILLION**  
**NEW JOBS**  
ADDED DURING THE  
PEAK OF THE RECESSION



MORE THAN  
**\$10**  
**TRILLION**  
IN ANNUAL REVENUE



**1/3**  
OF U.S. JOBS—  
APPROXIMATELY  
**45.6 MILLION**

## U.S. Middle Market Defined

**200,000**  
**BUSINESSES**  
IN ALL INDUSTRY  
SEGMENTS AND  
GEOGRAPHIES



REPRESENTING  
**3.0%**  
OF ALL U.S.  
COMPANIES

**ANNUAL REVENUE**  
RANGING FROM  
**\$10MM-\$1B**



## Building Broader Knowledge of the Middle Market

As the leading advocate for the middle market, the National Center for the Middle Market is committed to increasing awareness of this critical economic segment among key stakeholders, including national and local media. The Center has become a trusted source of middle market knowledge, research, and thought leadership among top journalists and media outlets. This network of key broadcasters and publications is instrumental in creating greater recognition, appreciation of, and support for the middle market, its impact on the national economy, the opportunities it offers, and the challenges it faces.

### Four-Year Impact

# 627K

WEBSITE  
PAGE VIEWS

# 14

TIER-ONE  
PUBLICATIONS

# 60

TOTAL MEDIA  
OUTLETS

# 100+

KEY MEDIA HITS

# 36K

NEWSWIRE  
VIEWS

# 20K

CONTENT  
DOWNLOADS

# 50MM+

MEDIA IMPRESSIONS

### KEY MEDIA

 msnbc



Bloomberg

The  
Economist

**Bloomberg  
Businessweek**

The Washington Post

**POLITICO**

**YAHOO!**  
FINANCE

**CRAIN'S**  
NEW YORK BUSINESS

THE WALL STREET JOURNAL

**Inc.**



## BORN IN THE USA: SAMUEL ADAMS BEER, NATHAN'S FAMOUS, RADIO FLYER

**YAHOO FINANCE, JULY 2, 2015**

Using insights and information provided by the Center, Yahoo Finance celebrated the Fourth of July, and America's thriving middle market, by publishing an article on how to enjoy an All-American, all-middle market Independence Day. The article brought visibility to these companies while saluting the role they play in driving America's economy.

## HIGHLIGHTS FROM THE ARTICLE:

- + Fly your flag by Annin Flagmakers
- + Enjoy a Nathan's Famous hot dog
- + Grill your dinner on a Weber grill
- + Wash down your dinner with an American-brewed beer
- + Keep everything fresh in a Thermos cooler
- + Take your kids to a holiday parade in a Radio Flyer wagon
- + Finish off the day with a fireworks display by Zambelli Fireworks Internationale

*To see the full article, visit <http://finance.yahoo.com/news/what-do-samuel-adams-beer--annin-flags-and-radio-flyer-have-in-common-185228873.html>*



## Raise your awareness.

For more middle market news from the Center, visit [www.middlemarketcenter.org](http://www.middlemarketcenter.org).



# Generating New Findings with Greater Relevance

Since its inception, the National Center for the Middle Market has served as the leading source of innovative research on U.S. middle market companies and the topics and issues that impact them most. To this end, the Center partners with academics from the world's top research institutions and premier professional and industry organizations to develop journal-quality academic research along with relevant insights, recommendations, and usable tools for middle market executives.

Last year, the Center established a new research framework focused on five top middle market issues. That framework continues to guide research initiatives today. While in the past, projects have been divided between the academic community and practitioner partners, in 2015, the Center focused on combining expertise and directly involving university researchers in professionally-oriented studies.

Academics assist with developing the research frameworks and lending new perspective to flagship projects, and they benefit from seeing the impact of their research on the business community. Ultimately, by bridging the gap between the academic and practitioner worlds, the Center is driving findings and creating deliverables with deeper substance and greater impact for the middle market.

---

## RESEARCH FOCUS AREAS

- + TALENT
- + STRATEGY & INNOVATION
- + OPERATIONAL EXCELLENCE
- + GOVERNANCE & FINANCE
- + POLICY & ECONOMY

---

## 2015 PRACTITIONER RESEARCH PARTNERS

- + The Novo Group
- + The Milken Institute
- + Cherry Bekaert LLP
- + Magento

## ACADEMIC RESEARCH PARTNERS



a place of mind  
THE UNIVERSITY OF BRITISH COLUMBIA

RUTGERS

Duke  
UNIVERSITY

Washington  
University in St. Louis

Western  
UNIVERSITY · CANADA

UNIVERSITY OF  
CAMBRIDGE

YORK  
UNIVERSITY

UCI University of  
California, Irvine

UNIVERSITY OF MINNESOTA

UNIVERSITY OF  
MARYLAND

THE UNIVERSITY OF  
CHICAGO

CHICAGO BOOTH  
The University of Chicago Booth School of Business

PURDUE  
UNIVERSITY



UNIVERSITÀ  
DEGLI STUDI  
DI PADOVA



## Research Impact



NEARLY  
**\$2**  
MILLION  
IN FUNDING



**17**  
TOP RESEARCH  
INSTITUTIONS



**31**  
GRANTS  
AWARDED



**58**  
ACADEMIC  
RESEARCHERS



**28**  
ACADEMIC  
RESEARCH  
PROJECTS



**10**  
IN-DEPTH TOPICAL  
RESEARCH STUDIES

# 2015 Research Projects



## TALENT Building the Top Team

### ACADEMIC RESEARCH ADVISORS

- + **Dr. Larry Inks**, The Ohio State University Fisher College of Business
- + **Dr. Raymond Noe**, The Ohio State University Fisher College of Business

### PRACTITIONER RESEARCH PARTNER

The Novo Group

### OVERVIEW

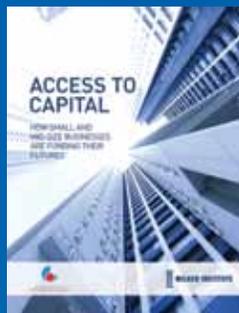
This research interviewed over 400+ middle market companies and 600+ potential executive hires to learn how the best middle market companies attract, reward, and retain top talent.

### GOAL

Provide insights into how the actions of middle market firms align with or diverge from the ambitions and motivations of potential new hires for key leadership positions within the firms.

### KEY FINDING

Middle market companies with compelling employer brands and EVPs average nearly 3x revenue growth over those without.



## GOVERNANCE & FINANCE Access to Capital

### ACADEMIC RESEARCH ADVISORS

- + **Dr. Zahi Ben-David**, The Ohio State University Fisher College of Business

### PRACTITIONER RESEARCH PARTNER

Milken Institute

### OVERVIEW

The research looked at how small and middle market firms raise capital, their strategy for debt, factors that drive their decisions about financing, and their outlook for expansion.

### GOAL

Assess the capital market's effectiveness in serving small and mid-sized companies and reveal opportunities for improving how companies use capital opportunities, how providers of capital serve these companies, and how public policy can influence both.

### KEY FINDING

Small and mid-sized business prefer to self-fund with cash on hand. When outside capital is needed, a strong preference exists for bank loans.

## Get the latest insights.

Visit the Center's online Knowledge Center at [middlemarketcenter.org](http://middlemarketcenter.org) to download research reports, white papers, journal articles, and insights.



## STRATEGY & INNOVATION

# Organizing for Innovation in the Middle Market



## OPERATIONAL EXCELLENCE

# Digital Utilization

### ACADEMIC RESEARCH ADVISORS

- + **Dr. Michael Leiblein**, Associate Professor, The Ohio State University Fisher College of Business
- + The Ohio State University Center for Innovation and Entrepreneurship

### PRACTITIONER RESEARCH PARTNER

Cherry Bekaert LLP

### OVERVIEW

The research surveyed 400 middle market leaders and senior managers who share in responsibility for innovation at their companies along with leaders in each of three innovation-intensive industries—health and life sciences, industrial, and technology—to explore how middle market companies approach innovation and what drives the most successful innovation initiatives.

### GOAL

Provide middle market executives with knowledge, processes, and tools for effectively generating, selecting, and implementing innovative ideas.

### KEY FINDING

Many middle market firms take a conservative approach to innovation and profit from doing so. However, the most adept innovators—also the fastest growing middle market companies—are more likely to pursue adventurous and riskier projects.

### ACADEMIC RESEARCH ADVISORS

- + **Ralph Greco**, Director of the Business Analytics Initiative, The Ohio State University Fisher College of Business
- + **Kati Suominen**, Visiting Assistant Adjunct Professor, UCLA Anderson School of Management; CEO, TradeUp, LLC

### PRACTITIONER RESEARCH PARTNER

Magento

### OVERVIEW

The Center and Magento surveyed 500 middle market C-Suite executives who share responsibility for company strategy and business process implementation. The survey gauged attitudes toward digitization practices and benefits, determined middle market firms' digital readiness and digital performance capabilities, and identified trends in digitization spending.

### GOAL

Provide middle market companies with insights and best practices that can help them gain a digital edge.

### KEY FINDING

Most middle market firms prioritize digitization, and digitization spending is increasing across the board, especially in areas of innovation and strategy. However, companies' self-assessed "digital grade point average" is only 2.8 on a scale of 0-4, the equivalent of a C+. The fastest growing middle market companies as well as companies in the services and healthcare sectors are digitally savvy than their peers. These firms are more likely to enjoy a rapid rate of digitization and a greater return on investment.



# Research Project Spotlight:

## BUILDING THE TOP TEAM

### HOW MIDDLE MARKET FIRMS ATTRACT AND RETAIN THE TOP TALENT THAT FUELS THEIR SUCCESS

---

#### RESEARCH FOCUS AREA

##### + TALENT

---

#### RESEARCH PARTNERS

##### ACADEMIC

- + **Dr. Larry Inks**, The Ohio State University Fisher College of Business
- + **Dr. Raymond Noe**, The Ohio State University Fisher College of Business

##### PRACTITIONER

- + The Novo Group—A talent acquisition consulting firm that helps organizations attract top talent and implement better recruitment processes

---

#### THE CRITICAL ISSUE

Throughout 2015, the Middle Market Indicator has shown that talent issues are a leading short- and long-term challenge for middle market businesses—and a challenge these companies must find ways to resolve if they wish to realize the highest levels of success. Past research by the Center clearly reveals that the ability to attract and retain talent, and top talent in particular, is a hallmark of the most profitable and fastest growing middle market companies.

In partnership with the Novo Group, the Center interviewed more than 400 middle market companies and 600+ potential executive hires to learn how the talent recruitment and retention efforts of the middle market firms align with (or diverge from) the ambitions and motivations of potential new hires for key leadership positions within those firms.

*“The data demonstrate that, by combining employer brand and EVP with best-practice recruiting techniques, middle market firms can successfully compete with any organization for talent. They can, indeed, become talent magnets.”*

# Sharing the Knowledge

The Center and the Novo Group, sometimes accompanied by distinguished panels of experts, went on the road to present the research findings and discuss talent best practices with middle market leaders and HR executives in key markets including Atlanta, Chicago, and Palo Alto. The talks covered talent management and acquisition strategies, as well as the importance of succession planning, and collectively reached more than 200 middle market executives.

To increase outreach, the Center and the Novo Group also hosted a webinar and later partnered with the CFO Alliance to present a series of roundtable discussions in eight different markets. These “Aligning Your Employees With The Company’s Business Objectives” roundtables engaged more than 400 middle market executives on a one-to-one basis.

The Center and its partners presented top talent research findings in key markets across the country:

- + Atlanta, GA
- + Chicago, IL
- + Denver, CO
- + Florham Park, NJ
- + Los Angeles, CA
- + New York, NY
- + Orange County, CA
- + Palo Alto, CA
- + Philadelphia, PA
- + Washington, DC

## Research your biggest middle market questions.

Interested in partnering with the Center to research middle market issues that are central to your organization’s members or customers? Email the Center at [middlemarketcenter@fisherosu.edu](mailto:middlemarketcenter@fisherosu.edu) to start a conversation.



### KEY RESEARCH REPORT TAKEAWAYS

- + A unique employer brand and persuasive employee value proposition can give middle market firms the edge they need to secure top talent.
- + Companies with an established employer brand and strong employee value proposition outperform and grow more quickly than their peers.
- + Top talent candidates seek more than an attractive salary. They look for opportunities for growth, work/life balance, and paths to promotion.
- + Companies with the most compelling employee value propositions offer attractive and unique options across the board, including meaningful work, strong corporate culture, and high caliber associates.

# Informing Policy to Support Middle Market Growth

Since its inception, the National Center for the Middle Market has worked to raise awareness of the critical middle market segment among leaders at the national, state, and local levels. The goal of our outreach efforts is always the same: to help inform public policy decisions that will better enable middle market companies to sustain their growth and continue to drive our federal and local economies.

In 2015, the Center met and worked with leaders in Washington, in key middle market states, and in local communities to increase awareness of middle market challenges and to inform solutions on issues ranging from tax and exporting policies to workforce issues, access to capital, and infrastructure concerns.

CONGRESSIONAL CAUCUS FOR  
MIDDLE-MARKET  
**GROWTH**

---

## CONGRESSIONAL CAUCUS FOR MIDDLE MARKET GROWTH

The Center, in collaboration with the Association for Corporate Growth (ACG), helped form the Congressional Caucus for Middle Market Growth in 2014. The Caucus is a bipartisan Congressional Member Organization (CMO) that works to educate other congress members and the general public about the impact of the middle market on the broader U.S. economy. In 2015, the Caucus grew to include 16 representatives from 13 different states.

---

## 2015 CAUCUS MEMBERS

### CO-CHAIRS

- + Rep. Steve Stivers (R-OH-15)
- + Rep. Tom Rice (R-SC-7)
- + Rep. Jared Polis (D-CO-2)
- + Rep. Kyrsten Sinema (D-AZ-9)

### MEMBERS

- + Rep. Steve Chabot (R-OH-1)
- + Rep. Randy Hultgren (R-IL-14)
- + Rep. Mike Conaway (R-TX-11)
- + Rep. Robert Hurt (R-VA-5)
- + Rep. Jim Cooper (D-TN-5)
- + Rep. Tom MacArthur (R-NJ-3)
- + Rep. Suzan DelBene (D-WA-1)
- + Rep. Carolyn Maloney (D-NY-12)
- + Rep. Sean Duffy (R-WI-7)
- + Rep. Mike Quigley (D-IL-5)
- + Rep. Bill Huizenga (R-MI-2)
- + Rep. Pat Tiberi (R-OH-12)



# Congressional Briefing:

## EDUCATIONAL BRIEFING ON TAX & TRADE POLICIES

WASHINGTON, DC | JANUARY 29, 2015

In early 2015, the Congressional Caucus for Middle Market Growth briefed Congress on the impact of tax and trade policies on the middle market. The briefing leveraged findings from the research report *Accelerating Exports in the Middle Market*, published by the Center and the Brookings Metropolitan Policy Program in 2014.

---

### KEY TAKEAWAYS

- + Middle market companies that export grow faster than their non-exporting counterparts.
- + Many domestic businesses are well-positioned to compete abroad, yet the majority of middle market companies do not generate revenue outside the U.S.
- + Metropolitan areas can be a catalyst to middle market firms wishing to go global.

### PANELISTS

- + **Isabel Fernandez**, Chief Commercial Officer, GE Capital, Americas
- + **Marek Gootman**, Director, Brookings Metropolitan Policy Program
- + **David J. Kautter**, Partner, RSM
- + **Gary A. LaBranche**, President & CEO, Association for Corporate Growth
- + **Thomas A. Stewart**, Executive Director, National Center for the Middle Market



# Congressional Briefing:

## MATH (MARKETS AND THE HILL) BRIEFING SERIES— NAVIGATING THE CAPITAL ACCESS LANDSCAPE

WASHINGTON, DC | JUNE 23, 2015

The Center and the Milken Institute developed the research report, *Access to Capital: How Small and Mid-Sized Businesses Are Funding Their Futures*, in early 2015. The Milken Institute covered findings from the report in its quarterly briefing

series on Capital Hill. Specifically, the briefing addressed the financing options open to small and middle market companies and identified how policies affect the ability of middle market companies to obtain capital.

### KEY TAKEAWAYS

- + Small and middle market firms prefer to fund operation and expansion via cash on hand and aim to have little to no debt.
- + When outside capital is necessary, small and mid-size companies strongly prefer bank debt; they use bank financing by a three-to-one margin over the next most popular choice, nonbank lenders.
- + A sizable minority of firms say their expansion plans are sensitive to a change in interest rates.
- + Cost (usually interest rate), ease of access, speed of execution, and certainty of execution are key factors in deciding what type of outside capital to pursue. Strong relationships with funders are also important.

### SPEAKERS

- + **Daniel Gorfine**, Vice President for External Affairs and Associate General Counsel, OnDeck
- + **Todd McCracken**, President, National Small Business Association (NSBA)
- + **Michael Well**, CEO, RCS Capital
- + **Gary A. LaBranche**, President & CEO, Association for Corporate Growth
- + **Douglas L. Farren**, Associate Director, National Center for the Middle Market

### MODERATORS

- + **Brian Knight**, Associate Director, Milken Institute's Center for Financial Markets



# Executive Briefing:

## THE WHITE HOUSE

WASHINGTON, DC | OCTOBER 22, 2015

The Center facilitated an unprecedented opportunity for a select group of 10 middle market executives to meet face to face with leaders from the Obama administration to present, discuss, and debate critical middle market issues. The half-day forum provided an opportunity for the nation's leaders to learn more about middle market challenges from the executives who deal with them everyday, while allowing executives to hear Washington's perspective on the issues.

### FORUM TOPICS

- + BUDGET
- + INFRASTRUCTURE
- + TRADE
- + WORKFORCE DEVELOPMENT

### ATTENDEES

#### OBAMA ADMINISTRATION OFFICIALS

- + **Jerry Abramson**, Deputy Assistant to the President and Director of Intergovernmental Affairs
- + **Andrea Ambriz**, Deputy Director of Private Sector Engagement
- + **Robert Diamond**, Special Assistant to the President and Director of Private Sector Engagement
- + **Diana Doukas**, Director, White House Business Council
- + **Tamara Fucile**, Associate Director for Legislative
- + **Nate Loewentheil**, Senior Policy Advisor, National Economic Council
- + **Ben Olinsky**, Special Assistant to the President for Labor and Workforce Policy

#### MIDDLE MARKET EXECUTIVES

- + **John Adams**, SecurAmerica, Atlanta, GA
- + **George Cook**, MacLean-Fogg Company, Mundelein, IL
- + **Dina Dwyer-Owens**, The Dwyer Group, Waco, TX
- + **Kevin Lackey**, Freedom Powersports, LLC, Fort Worth, TX
- + **Daryl Laisure**, ZIN Technologies, Inc., Cleveland, OH
- + **Nataline Lomedico**, Giroux Glass, Inc., Los Angeles, CA
- + **Frederick Quinn**, Quest Specialty Chemicals, Ft. Myers, FL
- + **Carol Roehrig**, BKM Total Office of Texas, Dallas, TX
- + **Gale Sommers**, Professional Warranty Service Corporation, Chantilly, VA
- + **David Thompson**, TEC Equipment, Inc., Portland, OR

#### CENTER AND OSU REPRESENTATIVES

- + **Douglas L. Farren**, Associate Director, National Center for the Middle Market
- + **Dr. Anil K. Makhija**, Dean, Fisher College of Business, The Ohio State University
- + **Thomas A. Stewart**, Executive Director, National Center for the Middle Market
- + **Stacy Rastauskas**, Assistant VP, The Ohio State University, Government Relations



# State of the Middle Market in Illinois

CHICAGOLAND CHAMBER OF COMMERCE EVENT

WITH ILLINOIS GOVERNOR BRUCE RAUNER

CHICAGO, IL | MAY 7, 2015

For the second year, the Center continues to focus on key states with a strong middle market presence. In 2015, the Center's regional research centered around Illinois, a top state for middle market businesses, with 2.7 million employees working for firms with revenues between \$10 million and \$1 billion.

The Center partnered with GE Capital and the Chicagoland Chamber of Commerce to study the opportunities and challenges of middle market companies in the Prairie State. The Center then joined Illinois Governor Bruce Rauner and Chicagoland Chamber of Commerce CEO Theresa E. Mintle to present study findings to more than 100 middle market stakeholders in the state. The event included a panel discussion of mid-market business executives.

## KEY TAKEAWAYS

- + Middle market companies in Illinois report robust revenue growth, but growth rates lag behind the national average.
- + Illinois middle market companies are more likely to hire than their peers across the nation, but they add workers at a slightly slower rate.
- + Illinois companies anticipate growing more aggressively than their national counterparts.
- + Fewer than half of Illinois leaders are confident in their local economies and just one quarter are optimistic about conditions in the state.
- + Like their colleagues across the nation, leaders are concerned about government actions and struggle to find qualified candidates to fill jobs.

## EVENT SPEAKERS AND PANELISTS

- + **Tom Gimble**, Founder & CEO, LaSalle Network
- + **John Martin**, Global Head of Capital Markets, GE Capital
- + **Theresa E. Mintle**, President & CEO, Chicagoland Chamber of Commerce
- + **Jenny Niemann**, CEO, Forward Space
- + **Bruce Rauner**, 42nd Governor of Illinois
- + **Trevor Schauenberg**, President & CEO, GE Capital
- + **Thomas A. Stewart**, Executive Director, National Center for the Middle Market
- + **Giancarlo Turano**, Principal, Turano Banking

# Growth in the New York Middle Market

## UVANY MIGHTY MIDDLE MARKET EVENT

BUFFALO, NY | JANUARY 15, 2015

New York is home to one of the nation's largest middle market sectors, with approximately 10,000 firms employing more than four million New Yorkers and generating almost \$500 billion in annual revenue. The Center partnered with the Upstate Venture Association of New York and the New York Business Council to host a presentation and CEO panel discussion for the Western New York region focused on middle market growth factors and game-changing strategies that translate into sustained growth for these businesses.

### MODERATOR

+ **Thomas A. Stewart**, Executive Director, National Center for the Middle Market

+ **Giancarlo Turano**, Principal, Turano Banking

### PANELISTS

+ **George Chamoun**, EVP and Co-Founder, Synacor

+ **Duffy Smith**, Operating Partner, Summer Street Capital; CEO Belmont Meat Products

+ **Dan Murray**, Chief Underwriting and Marketing Officer, Lawley Insurance



# Exporting in Local Ohio Middle Market

## CENTRAL OHIO MIDDLE MARKET EXPORT SUMMIT

COLUMBUS, OH | AUGUST 6, 2015

Based on findings from the Center's research report, *Accelerating Exports in the Middle Market*, the Center worked with Central Ohio Congressmen Steve Stivers (R-OH-15) and Pat Tiberi (R-OH-12) and Congresswoman Joyce Beatty (D-OH-3) to present exporting insights to local middle market businesses. A group of about 75 attendees—predominantly Central Ohio middle market CEOs—gathered for a morning of panel discussions and collaboration with other local CEOs who have experienced exporting success.

---

### PANEL 1—EXPORT READINESS

Panelists from the Brookings Metropolitan Policy Program and The Ohio State University Fisher College of Business discussed how export strategies can accelerate growth and profitability and how companies can determine their readiness and the right time to start exporting.

#### MODERATOR

+ **Ben Sio**, Brookings Institution

#### PANELISTS

+ **Kenny McDonald**, Columbus 2020

+ **Dr. Oded Shenkar**, The Ohio State University Fisher College of Business

+ **Roberta Winch**, International Trade Assistance Center





## PANEL 2—KEY EXPORT CONSIDERATIONS

Local experts and service providers in legal, regulatory, supply chain, and other fields discussed the public and private resources, connections, and tools middle market companies need to help ensure exporting success.

### MODERATOR

+ **Amy Freedman**, U.S. Department of Commerce

### PANELISTS

- + **Vinita Bahri-Mehra**, Kegler Brown Hill Ritter
- + **Chris Robeson**, Mast Global Logistics (LBrands)
- + **Kevin Blosser**, Deloitte
- + **Martha Gabrielse**, JPMorgan Chase

## PANEL 3—CAPABILITIES LEARNING AND BEST PRACTICES

Local CEOs with successful exporting programs discussed their experiences and what works—and what doesn't—in establishing an exporting practice.

### MODERATOR

+ **Thomas A. Stewart**, Executive Director, National Center for the Middle Market

### PANELISTS

- + **Ken Creese**, EVP, Sutphen Corporation
- + **Teri Segerberg**, CEO, Mesa Industries

### GUEST SPEAKERS

- + **Dr. Mohamed Abdel-Kader**, U.S. Department of Education
- + **Congresswoman Joyce Beatty** (D-OH-3)
- + **Dr. Anil K. Makhija**, Dean, The Ohio State University Fisher College of Business
- + **Congressman Steve Stivers** (R-OH-15)
- + **Congressman Pat Tiberi** (R-OH-12)

# Monitoring the Pulse of the Middle Market

Since the launch of the first edition of the Middle Market Indicator (MMI) in April 2012, the media, business and academic communities, and policymakers have been kept well-informed of the health of the critical middle market. Each quarter, the National Center for the Middle Market releases a new Indicator, giving the nation an inside look at the performance of America's middle market companies and the sentiment of middle market leaders.

The MMI is the country's only comprehensive economic barometer on the middle market. Each MMI reports on the results of a survey of 1,000 C-Suite middle market executives and highlights revenue and employment growth, anticipated future growth, confidence levels, appetites for investment, and key challenges.

Along with each quarterly report, stakeholders gain access to:

- + Year-over-year trend data on middle market revenue, employment, investment, confidence, and productivity
- + Customized data by industry, revenue size, region, and ownership structure
- + Six state-specific infographics profiling middle market performance and economic outlook in California, Florida, Illinois, Ohio, New York, and Texas
- + Seven industry-specific infographics detailing performance in the wholesale trade, retail trade, professional services, manufacturing, healthcare, financial services, and construction industries



# In the News

## MIDDLE MARKET INDICATOR HEADLINES

Quarter after quarter, the MMI attracts greater levels of media attention from national, local, and regional news outlets.

### *“Growth Stabilizes for Middle Market Manufacturers”*

IndustryWeek

### *“So Far, 2015 Is a Dud: But That Could Change...Soon”*

Inc.com

### *“Survey Reveals Slow U.S. Economy Ahead”*

Forbes

### *“Private Equity-Backed Companies Expand Revenue Faster Than Peers”*

The Wall Street Journal: Private Equity Beat

## NEW MMI DATA

In 2015, the Center added new questions to the MMI to explore the short-term outlook of middle market leaders based on business climate, expected demand, and anticipated sales. The data is fueling the development of a short-term middle market health index.

Other new focuses include queries into debt levels, profit margins, and cost structure. Additionally, middle market leaders have had the opportunity to write in their key internal and external challenges for both the near and long term as opposed to responding to a pre-defined list of issues. The responses lend new insight on the issues that keep middle market executives up at night.



## Get the latest data & trends.

Visit [middlemarketcenter.org](http://middlemarketcenter.org) to download the latest Middle Market Indicator and subscribe to receive the quarterly releases.

# 2015 Middle Market Trends

IDENTIFIED BY THE MIDDLE MARKET INDICATOR

## 1Q 2015 MMI



**7.4%**

MIDDLE MARKET  
REVENUE GROWTH  
OVER THE PAST 12  
MONTHS



**39%**

OF MIDDLE MARKET  
COMPANIES EXPECT  
TO ADD JOBS



**67%**

WILL INVEST  
CAPITAL

## 2Q 2015 MMI



**60%**

OF MIDDLE MARKET  
COMPANIES PROJECT  
POSITIVE REVENUE  
GROWTH



**3.9%**

EMPLOYMENT  
GROWTH OVER  
THE PAST 12 MONTHS



**73%**

OF MIDDLE MARKET  
LEADERS EXPRESS  
CONFIDENCE IN THE  
NATIONAL ECONOMY

## 3Q 2015 MMI



**71%**

OF MIDDLE MARKET  
FIRMS REPORTED  
YEAR-OVER-YEAR  
INCREASES IN  
REVENUE



**3.2%**

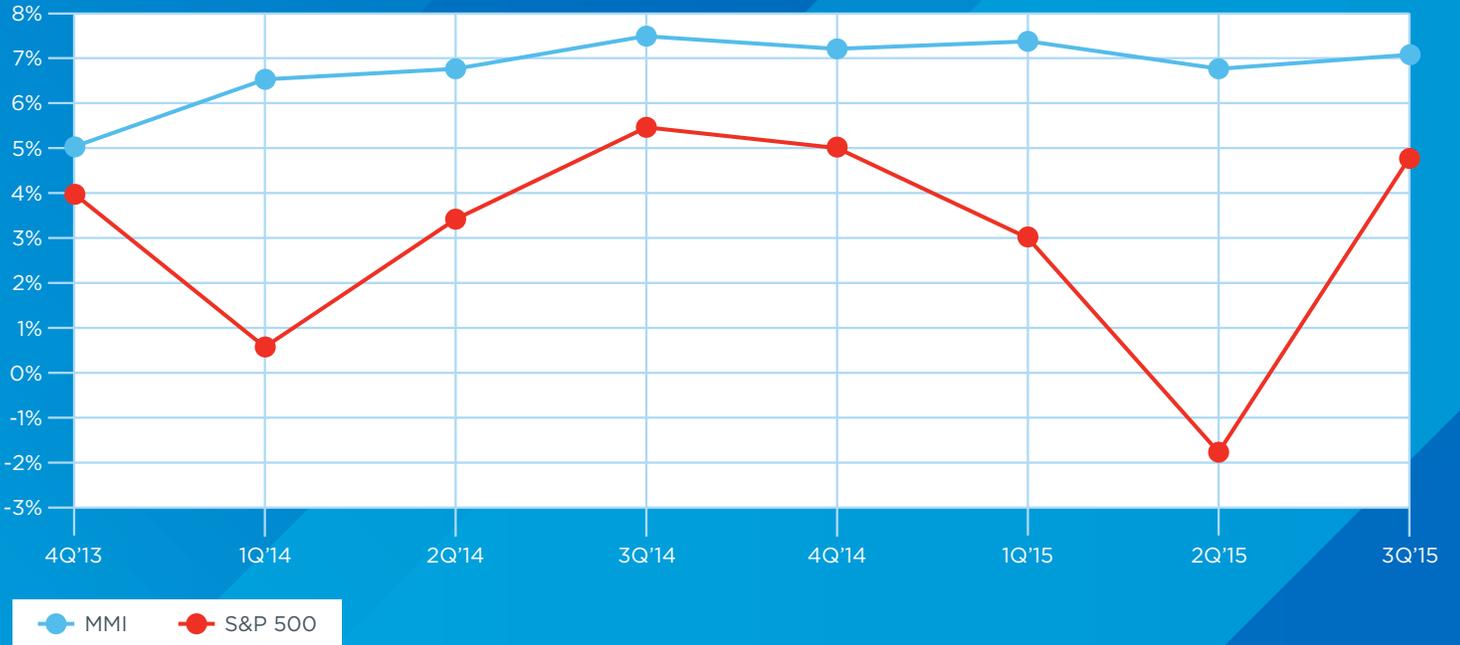
EXPECT EMPLOYMENT  
GROWTH OVER THE  
NEXT 12 MONTHS



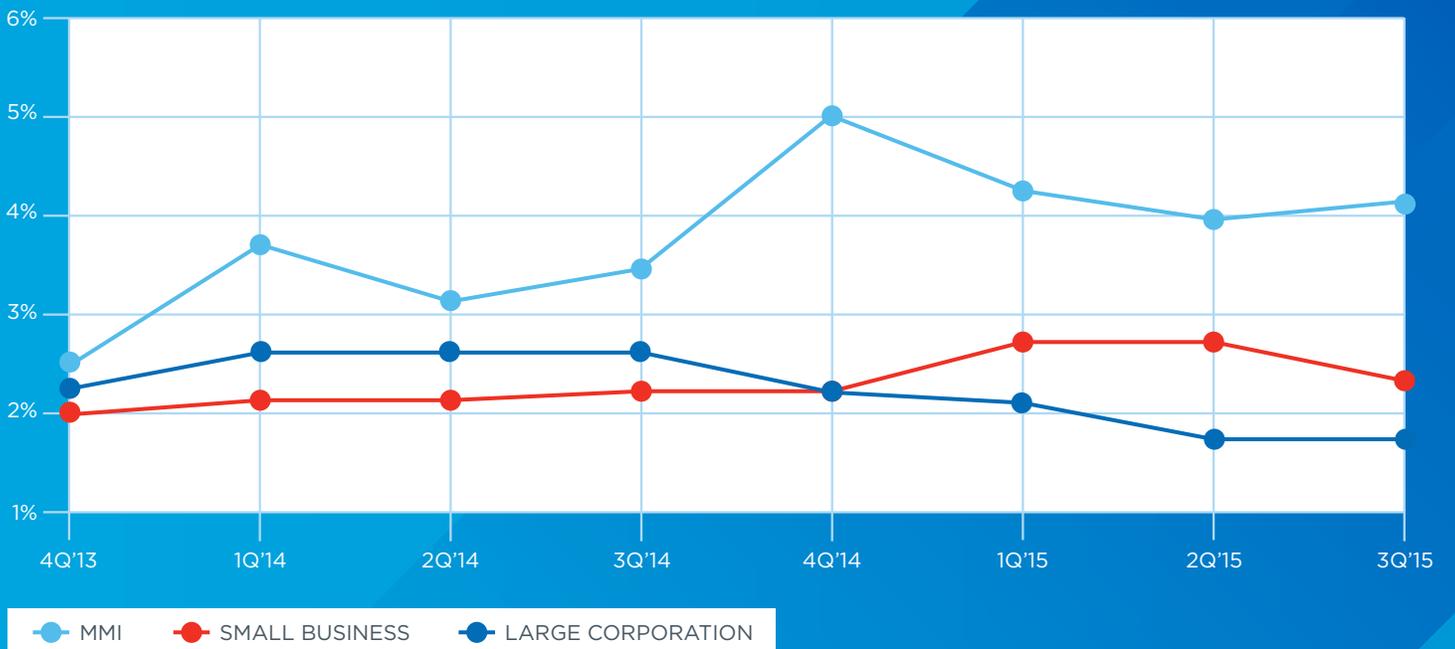
**81%**

OF MIDDLE MARKET  
LEADERS REPORT  
CONFIDENCE IN THE  
LOCAL ECONOMY

## ACTUAL REVENUE GROWTH



## ACTUAL EMPLOYMENT GROWTH





## Building Tomorrow's Middle Market Leaders Through Real-World Learning

Talent issues—including finding, retaining, and training top talent—remain one of the leading challenges facing middle market firms today. The National Center for the Middle Market helps address this issue through interactive educational opportunities for both middle market executives and business students.

In 2015, the Center worked with its partners to provide executives with relevant and engaging opportunities to earn continuing education credits. For example, the Center and The CFO Alliance hosted roundtable discussions on the topic of talent in eight key markets. (Read more about The CFO Alliance and the roundtable discussion on page 38).

The Center also completed its inaugural Middle Market Industry Cluster course for undergraduate students and welcomed a new group of students to the course's second session. The two-semester course aims to introduce more of today's business students to middle market companies while highlighting the benefits of working for one of the most powerful and influential economic segments in the country, thus creating a talent pool of candidates to lead middle market firms in the future.





*“The opportunity to participate in the Industry Cluster program was by far my favorite experience at Fisher. It was the most real-life application of what I’ve been learning in the classroom. I talked about my cluster experience in every [internship] interview I had. The program was something that really set me apart.”*

### **AUSTIN GIBSON**

*Fisher College of Business student, member of the Noodles & Co. project team*

## 2015 CORPORATE PARTICIPANTS



**HOMAGE**



**RGBARRY**  
BRANDS



**Ariens**  
COMPANY

**CASTER**  
CONNECTION





# Middle Market Industry Cluster Program

## A HANDS-ON MIDDLE MARKET EDUCATION FOR THE BUSINESS LEADERS OF TOMORROW

In spring 2015, 20 undergraduate students at The Ohio State University Fisher College of Business completed the second semester of the Center's inaugural Middle Market Industry Cluster program, wrapping up a highly successful first year of the program. Following a fall semester of lectures and presentations from participating middle market executives, the students worked on real projects with the companies. This MBA-like experiential learning opportunity culminated with student presentations and recommendations to middle market executive teams.

In August 2015, 33 students entered the second Middle Market Industry Cluster, making it the second largest cluster offered at the Fisher College of Business.

*"The clusters program takes the classroom curriculum a step further. It made us realize that in the business world, we're going to be thrown into situations where we're applying that knowledge, but we'll also have to be flexible and provide solutions on the fly."*

### **ISHRAQ ISLAM**

*Student member of the Noodles & Co. team*

## 2014-2015 CLUSTER PROJECT SPOTLIGHT

### CORPORATE PARTICIPANT

Noodles & Co.

### STUDENT TEAM

- + Austin Gibson
- + Ihsraq Islam
- + Michael Braun
- + Matthew Begane

### BUSINESS CHALLENGE

Identifying ways for Noodles & Co. to penetrate and expand its profile in college markets.

### STUDENT PROJECT INITIATIVES

- + Conducted focus groups at a local Noodles & Co. restaurant
- + Surveyed more than 400 students via online and social media platforms
- + Traveled to Noodles & Co. headquarters in Denver, Co, to present findings and recommendations to the company's senior leaders, including President and Chief Operating Officer Keith Kinsey

## CORPORATE EVALUATION COMMENTS

*"They were well prepared, thoughtful in their approach, and very communicative with their progress and any needs they had during the process."*

*"Their research has led to continued internal discussions and will prove to be helpful in our approach to marketing to college students across the country."*



## Strengthen Your Talent Pool.

Contact the Center to learn about 2016 executive education opportunities or to find out how your business can participate in the Industry Cluster Program.



# 2015 Fisher Invitational Case Competition

## TOP MBA CANDIDATES DELIVER REAL BUSINESS SOLUTIONS

### APRIL 9-11, 2015

The National Center for the Middle Market sponsors the annual Fisher College of Business invitational case competition—an exciting event that brings together first year MBA students from prominent business schools to help solve complex, live business problems for middle market companies.




---

#### THE 2015 BUSINESS CASE: CASTER CONNECTION

Sally Hughes launched Caster Connection in 1987 when she began selling new and replacement furniture and equipment casters out of the trunk of her car. Since then, her business has evolved into a thriving middle market company based in Columbus, Ohio, with more than 33 employees. Caster Connection grew by becoming a major distributor for some of the largest caster manufacturers in the U.S. Then in 2007, the company began manufacturing its own line of high-quality, ergonomic casters and invested in creating and promoting a successful brand around its propriety product line. These efforts spurred rapid growth for the business over the past five years, and proprietary product sales now represent about 65% of total company revenues.

The dramatic growth has the Caster Connection management team contemplating what comes next. Company leaders are concerned with how to sustain the growth, whether or not manufacturing clients will start to view them as a competitor, and if it makes sense to explore other product categories in the materials handling industry. Ultimately, Caster Connection needs to determine a growth strategy that best matches its competencies and culture and will position the business for long-term success.

---

#### THE COMPETITION

Caster Connection turned to some of the country's leading MBA students for help. "We had outlined four different strategies for strategic growth. We wanted to review them with all these smart young minds and get some valuable perspective on what makes the most sense and what feels right for the company," says Hughes.

Ten teams of four students each from the nation's top business schools traveled to The Ohio State University Fisher College of Business campus to take on the Caster Connection case. The teams had dinner with Hughes, toured the assembly and distribution center, and participated in a Q&A with the leadership team.

Teams then had just 24 hours to analyze the case and prepare recommendations to present to the Caster Connection leadership team.

## Case Competition Highlights

# 23<sup>RD</sup>

ANNUAL CASE  
COMPETITION

# 9

TOP BUSINESS  
SCHOOLS

# 36

FIRST-YEAR  
MBA STUDENTS

# 1<sup>ST</sup>

PLACE TEAM:  
UNIVERSITY  
OF MINNESOTA

# 24 HOURS

 TO ANALYZE AND DEVELOP SOLUTIONS FOR A LIVE BUSINESS CASE

### PARTICIPATING BUSINESS SCHOOLS

- + University of Minnesota
- + The Ohio State University
- + Michigan State University
- + Pennsylvania State University
- + University of Wisconsin
- + Washington University in St. Louis
- + University of Rochester
- + Purdue University
- + University of Maryland

### THE RESULTS

*"We gained a fresh perspective and a different outlook on our future from some of the brightest student minds. As leaders, it's easy to get caught up in the day to day and lose sight of the big picture. The students opened our eyes to some new ideas for what we can accomplish."*

+ **Joe Lyden**, Director of Sales, Caster Connection

*"It was very valuable to receive confirmation from these MBA students that we're on the right track in how we're thinking about our growth. These students are learning so much about business opportunities and new ways to approach challenges, and we gained some new recommendations and suggestions that we are definitely considering. Overall it was a very positive experience for our entire management team."*

+ **Sally Hughes**, President/CEO, Caster Connection

## State your case.

Interested in gaining exclusive access to innovative ideas from the nation's top MBA students? Contact the Center or visit [middlemarketcenter.org](http://middlemarketcenter.org) to submit your business.





## Working with Like-Minded Organizations to Engage More Middle Market Companies

The National Center for the Middle Market works closely with local, regional, and national organizations that share our focus on and commitment to the critical middle market segment. By working collaboratively to conduct research and host events, both the Center and its partners benefit from expanding our reach and making a stronger impression. At the same time, more middle market stakeholders gain access to the extraordinary content, vital supportive networks and communities, and valuable programs the Center and its partners have to offer. In 2015, the Center grew its list of partners to 22.

### Joint Efforts Resulted In:

**5**RESEARCH  
INITIATIVES**7**MARKETS  
VISITED**7**EVENTS AND  
PRESENTATIONS**350**MIDDLE MARKET  
STAKEHOLDERS



## OUR PARTNERS



ILLINOIS CPA SOCIETY



ILLINOIS CHAMBER OF COMMERCE



ILLINOIS TECHNOLOGY ASSOCIATION



Illinois Food Retailers Association





## Partner Spotlight: The CFO Alliance

Established in 2008, The CFO Alliance is a platform that connects financial leaders with their peers, subject matter experts, and the information they need to excel. The Alliance provides both in-person and online engagements that encourage open and honest debate, discussion, and dissection of the top issues and opportunities that keep CFOs up at night. Through learning, networking, and collaboration, CFOs become increasingly

confident in their decision making, they stay at the forefront of performance and innovation, and they enjoy more short- and long-term successes. The CFO Alliance has nearly 6,000 members representing diverse industries and companies of all types of sizes across the U.S. and in Canada. Financial executives from middle market firms heavily dominate the membership.

### A PARTNER FROM THE START

Just days after the Center opened its doors in 2011, The CFO Alliance President & CEO, Nick Araco, Jr., Esq., reached out to start a conversation. He was intrigued by the Center's focus on middle market firms, since this is where his organization was already concentrating.

"It can be a lonely place to be a CFO in a middle market company," Araco explains. "These leaders deal with issues very differently than the Global 2000 or entrepreneurial firms, and they historically haven't had a place to gather, share ideas, and learn from each other." While The CFO Alliance has a narrower lens, Araco's organization and the Center share an interest in providing tangible, concrete ways for middle market leaders to gather and interact. "The Center has a way of bringing people together to solve problems and look for insights. They don't treat middle market shareholders as spectators. Instead, they are interested in creating a meaningful dialogue, and that's something that meshes well with The CFO Alliance culture."

### THE 2015 IMPACT

The partnership between the Center and The CFO Alliance strengthened over the years. In FY2015, the organizations worked collaboratively to address two specific high-priority issues facing middle market firms—how to put together a successful board of directors and how to spur growth by better engaging talent. Together, the organizations visited key markets around the country to actively engage middle market leaders in meaningful discussions on these critical topics.

#### CORPORATE GOVERNANCE SYMPOSIUM SERIES

The Center and The CFO Alliance, in collaboration with GE Capital and Douglas Raymond of Drinker Biddle & Reath, LLP, visited four different markets (New York, LA, DC, and Chicago) in late 2014 to present the Corporate Governance Symposium—a forum focusing on the creation of a board of directors in privately held firms. More than 200 middle market leaders attended the events to discuss effective and practical systems for managing corporate governance issues, including:

- + Formation of a board of directors
- + Function and performance for a board
- + Succession planning
- + The board's role in setting and executing growth strategies



THE CFO ALLIANCE

*“The Center has its eyes and ears open at all times and is grounded in the reality of what it’s like for middle market companies to compete in the current business and economic environment. Beyond research and theory, they are a catalyst for gathering middle market stakeholders together for meaningful and actionable purpose.”*

**NICK ARACO, JR., ESQ.**

*President & CEO  
The CFO Alliance*

---

**ALIGNING YOUR EMPLOYEES WITH THE  
COMPANY’S BUSINESS OBJECTIVES**

**INTERACTIVE ROUNDTABLE DISCUSSION ON  
HUMAN CAPITAL**

In spring and early summer 2015, the Center and The CFO Alliance visited eight markets to host interactive roundtable discussions on the topic of human capital. Based on input from CFO Alliance members that a company’s vision must be aligned with the organization’s internal culture and talent acquisition in order to succeed, this forum discussed strategies including:

- + Aligning external brand with internal culture
- + Building a sustainable platform to acquire the best talent
- + Creating an incentive program to align a company’s people with strategy and performance
- + Methods for motivating people

More than 400 middle market leaders gathered in small groups to take place in the robust dialogue.

---

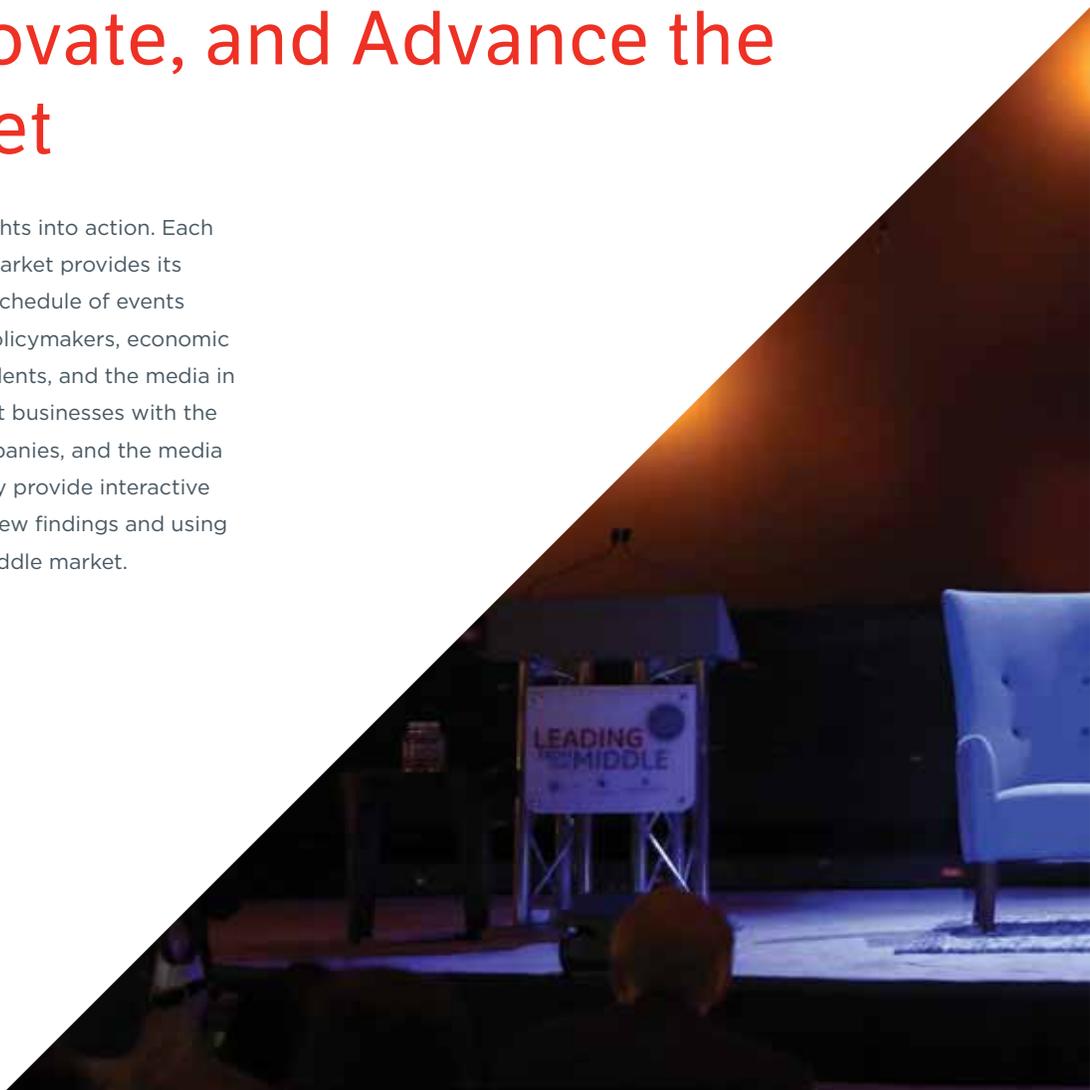
**THE FUTURE**

“As the Center moves toward more industry-based and functional-based efforts, isolating key areas within a company, we will continue to be involved,” says Araco. The CFO Alliance plans to help the Center share its findings from its recent study on innovation practices in middle market firms, and the Center will continue to participate in The CFO Alliance’s annual sentiment study, which will provide important insights into issues the Center plans to investigate in 2016. “We’ve created a rich relationship that not only accelerates our value to our members, but also increases the opportunity for more financial executives to get to know us and the Center at the same time.”



# Connecting Middle Market Executives, Students, Academics, and Policymakers to Learn, Innovate, and Advance the Middle Market

Events provide a catalyst for turning insights into action. Each year, the National Center for the Middle Market provides its stakeholders with a dynamic and robust schedule of events designed with the needs of executives, policymakers, economic development organizations, business students, and the media in mind. These unique opportunities connect businesses with the government, business students with companies, and the media with industry leaders and innovators. They provide interactive platforms for presenting and discussing new findings and using the data to drive new solutions for the middle market.

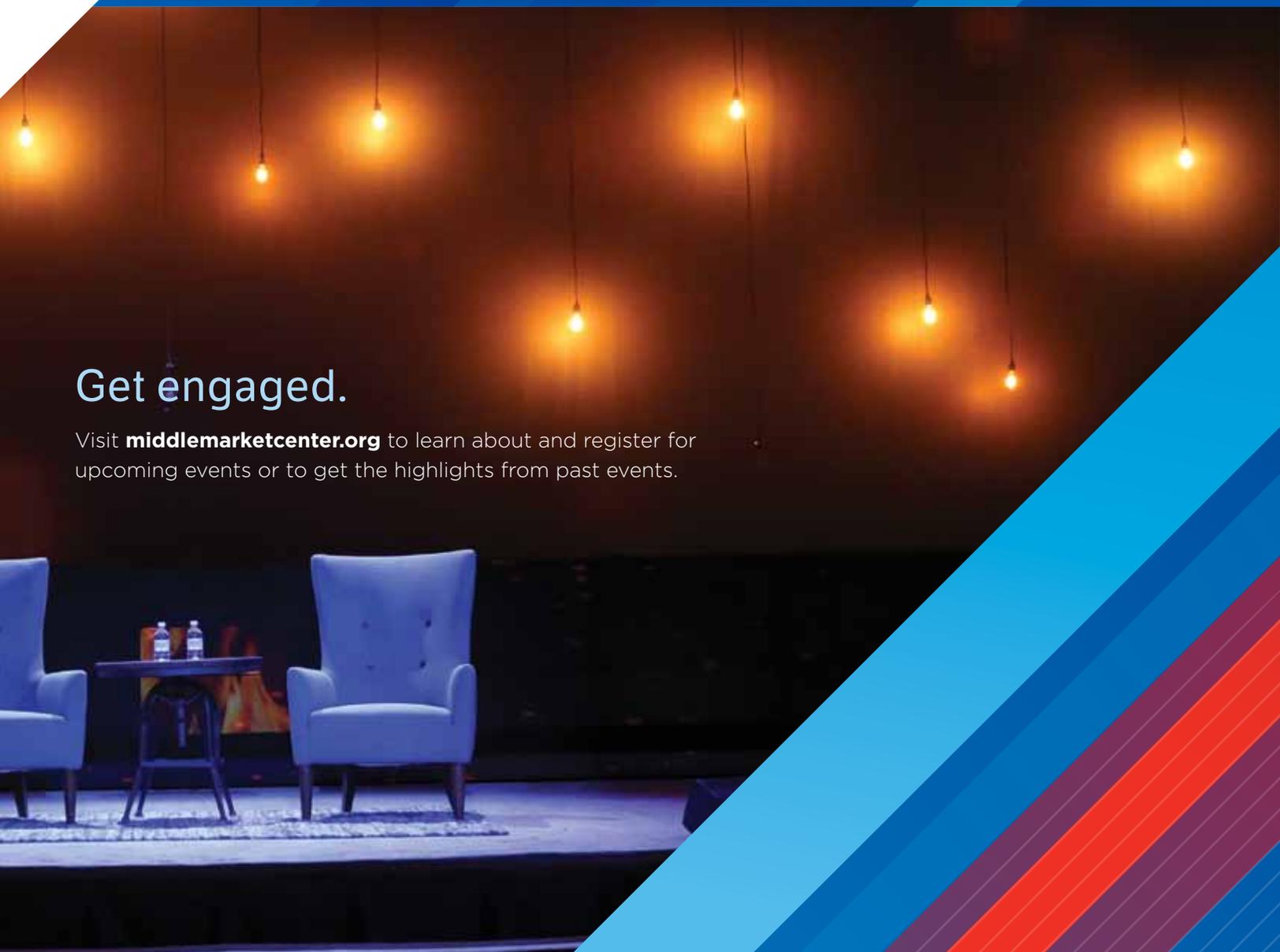




*In 2015, the National Center for the Middle Market offered more than 60 events to its stakeholders and spoke at more than 35 events nationwide.*

## Get engaged.

Visit [middlemarketcenter.org](http://middlemarketcenter.org) to learn about and register for upcoming events or to get the highlights from past events.



# 2014 National Middle Market Summit

## CONTINUING THE NATIONAL DIALOGUE ON MIDDLE MARKET ISSUES

### OCTOBER 28-29, 2014

The fourth National Middle Market Summit: Leading from the Middle brought together middle market CEOs, academics, policymakers, and industry experts for conversation, collaboration, and deliberation on key middle market business opportunities and challenges. The event provides a platform for the most influential middle market stakeholders from around the nation to connect face to face to learn from and inspire each other in an effort to drive continued growth in this critical economic segment. The summit is co-hosted by GE Capital, the National Center for the Middle Market, and The Ohio State University Fisher College of Business.

#### 2014 SUMMIT KEYNOTE SPEAKERS AND PRESENTERS

- + **Mika Brzezinski**, Host, MSNBC's Morning Joe
- + **Steve Case**, CEO, Revolution LLC. & Co-Founder, AOL
- + **Jeff Immelt**, Chairman & CEO, GE
- + **Salim Ismail**, Founding Director, Singularity University
- + **Scott Moore**, Rear Admiral (retired), United States Navy
- + **David Neeleman**, CEO, Azul Brazilian Airlines
- + **Jack Nicklaus**, Golf Legend & CEO, The Nicklaus Companies
- + **Mitt Romney**, Former Massachusetts Governor & Businessman
- + **Jill Rowley**, Social Selling Expert
- + **Joe Scarborough**, Host, MSNBC's Morning Joe
- + **Thomas A. Stewart**, Executive Director, National Center for the Middle Market

#### 4th National Middle Market Summit

OVER

**1,000**

PARTICIPANTS

OVER

**5,500**LIVE WEBCAST  
VIEWINGS**21MM**SOCIAL MEDIA  
IMPRESSIONS**5**NEW PIECES OF  
RESEARCH**MSNBC**

MORNING JOE LIVE BROADCAST

*"The speakers at the Middle Market Summit were unbelievably good. I must have taken 10 pages of notes."*

**THOMAS FEENEY**

President &amp; CEO, Safelite Group

# New World to Conquer: Accelerating the Middle Market's Export Performance

RELEASING EXECUTIVE FINDINGS ON MIDDLE MARKET EXPORTS

OCTOBER 28, 2014

As a preface to the 2014 National Middle Market Summit, the Center and The Brookings Institution co-hosted an event and panel discussion to release the findings from their new research report, Accelerating Exports in the Middle Market. More than 100 executives from companies that are currently engaged in or interested in expanding outside the U.S. borders attended to learn more about the advantages of and strategies behind this under-exploited growth opportunity.

## SPEAKERS AND PANELISTS

- + **Alex Fischer**, President & CEO, Columbus Partnership
- + **Amy Liu**, Senior Fellow & Co-Director, Metropolitan Policy Program, The Brookings Institution
- + **Dr. Anil K. Makhija**, Academic Director, The National Center for the Middle Market, Senior Associate Dean, Fisher College of Business
- + **Daryl Peterman**, CEO, Abrasive Technologies
- + **Thomas A. Stewart**, Executive Director, National Center for the Middle Market





## Our 2016 Goals

The National Center for the Middle Market embarks on our fifth year committed to our vision and mission. More and more we see others joining to recognize and support the vitality and robustness of the middle market; and our growing network of partners—both sponsoring partners and those we work with on research, developing and sharing content, and building networks—are helping to ensure that middle market companies grow and thrive.

The theme of this report—from awareness to impact—shapes our goals for the year ahead. While we continue to work aggressively to enhance awareness of the importance of the middle market, we are increasingly focused on making a difference to middle market companies and their leaders, the cities and towns in which they work and grow, the women and men who work for them, and the economy as a whole.





### **BEGIN TO ROLL OUT A METROPOLITAN-AREA STRATEGY TO STRENGTHEN THE MIDDLE MARKET**

Mid-sized companies are hometown champions—long-time citizens with deep local roots. They are big enough to make a real difference to the cities in which they operate. Indeed, in most of them, the middle market produces the majority of new jobs and accounts for the largest share of business revenue growth. Yet their potential is less than fully realized—for example in exports and human capital development. We will build on work begun in major cities like Atlanta, Chicago, and Cleveland to “activate” middle market companies and stakeholders—city halls, universities, media, and more—in metropolitan areas across the country.



### **EXPAND THE NUMBER OF MIDDLE MARKET EXPERTS**

The NCMM and the Fisher College of Business are the home to the best research into the middle market. We plan to catalyze others as well. Through a larger Academic Advisory Council, outreach to nonacademic thought leaders and other experts, new or stronger relationships with scholarly organizations and business association, and links to other universities, we will stimulate the growth of a network of experts who can help middle market companies continue to thrive in the U.S. and worldwide. At the same time, we will provide increased opportunities for students to work with middle market companies on research projects and prepare themselves for careers in these growing companies.



### **BOTH SHARPEN AND DEEPEN OUR RESEARCH ON THE MIDDLE MARKET**

Insights from our expanded Corporate Advisory Council have deepened our understanding of the challenges that matter most to executives, and are shaping our 2016 research agenda. We will return to some key issues and explore new ones for the first time. We also anticipate updated primary research into the scope and economic impact of the middle market.



### **INCREASE OUR IMPACT ON EXECUTIVES AND POLICY MAKERS**

In 2016 we will continue our production of research and appearances at events—to share insights, to connect leaders with each other, and to the policymaker community. In addition, we expect to increase our capability to produce webinars, multimedia, and interactive materials and potentially online resource centers about topics of special significance to middle market executives. We will work closely with Fisher College of Business executive education to develop in-person and online courses, as well.

# National Center for the Middle Market Governance

The National Center for the Middle Market relies on a number of committees and boards to provide the necessary oversight, guidance, and expertise the Center needs to achieve its mission of advancing the middle market's role in the economy.

---

## 2015 OVERSIGHT COMMITTEE MEMBERS

- + **Tanny Crane**, President & CEO, Crane Group
- + **Isabel Fernandez**, Chief Commercial Officer, GE Capital
- + **Dan Henson**, Officer, GE; President & CEO, GE Capital Americas
- + **Dr. Anil K. Makhija**, Dean and John W. Berry, Sr. Chair in Business, The Ohio State University Fisher College of Business
- + **Charles Newell**, Co-Founder & Managing Partner, Tech Investments LLC
- + **Thomas A. Stewart**, Executive Director, National Center for the Middle Market

---

## CENTER STAFF

- + **Thomas A. Stewart**, Executive Director
- + **Dr. Oded Shenkar**, Academic Director
- + **Douglas L. Farren**, Associate Director
- + **Alicia Ritchey**, Program Manager

---

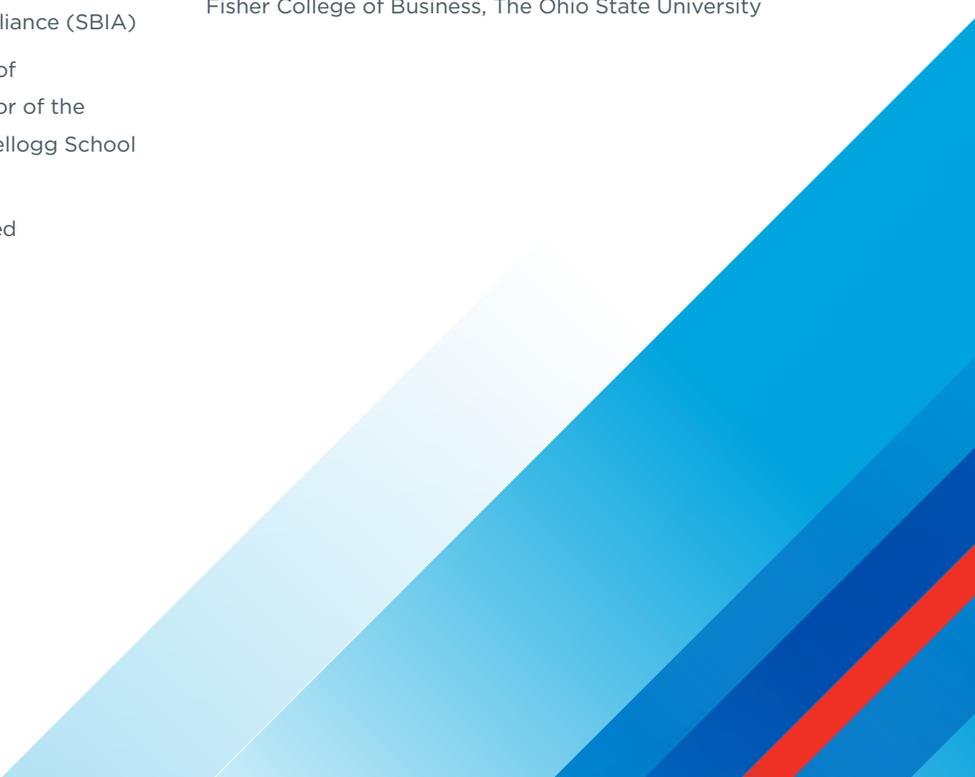
## 2015 CORPORATE ADVISORY COUNCIL

In 2015, the Center launched a reinvigorated and larger Corporate Advisory Council made up of middle market executives and key stakeholders from across the country. These professionals meet quarterly to provide guidance and feedback on the Center's research initiatives, outreach efforts, and events. They also serve as local champions for the Center and its initiatives and work to foster connections with more middle market firms nationwide.

- + **Alice Ancona**, Director, Global Outreach, Florida Chamber of Commerce
- + **George Cook**, CFO, MacLean-Fogg Company
- + **David Davis**, President & CEO, Simmons Machine Tool
- + **Andy Doerhel**, President & CEO, Ohio Chamber of Commerce
- + **Russ Klein**, CEO, American Marketing Association (AMA)
- + **Nancy Kramer**, Founder & Chairman, Resource
- + **Gary LaBranche**, President & CEO, Association for Corporate Growth (ACG) Global
- + **Kevin Lackey**, President & CEO, Freedom Powersports
- + **Tony Lutfi**, CEO, MarLu Investment Group
- + **Jeff Malehorn**, President & CEO, World Business Chicago
- + **Mark Mariani**, CEO, Mariani Foods
- + **Craig Painter**, Executive Chairman of the Board, Kinney Drugs
- + **Brett Palmer**, President, Small Business Investor Alliance (SBIA)
- + **Mohanbir Sawhney**, McCormick Foundation Chair of Technology; Clinical Professor of Marketing; Director of the Center for Research in Technology & Innovation, Kellogg School of Management, Northwestern University
- + **Terry Segerberg**, CEO, Mesa Industries Incorporated
- + **David Thompson**, Founder & CEO, TEC Equipment

---

## 2015 ACADEMIC BOARD MEMBERS

- + **Dr. Thomas Goldsby**, Professor of Logistics, Fisher College of Business, The Ohio State University
  - + **Dr. Johnny Rungtusanatham**, Professor of Management Sciences, Fisher College of Business, The Ohio State University
  - + **Dr. Oded Shenkar**, Academic Director, Ford Motor Company Chair in Global Business Management, Professor of Management and Human Resources, Fisher College of Business, The Ohio State University
  - + **Dr. Steven Davidoff Solomon**, Professor of Law, Berkeley School of Law, University of California
  - + **Brenda Tsai**, Commercial Leader, GE Capital
  - + **Dr. Michael S. Weisbach**, Professor and Ralph W. Kurtz Chair in Finance, Fisher College of Business, The Ohio State University
  - + **Dr. Peter Williamson**, Honorary Professor of International Management Fellow Commoner and Director of Studies in Management at Jesus College, Judge Business School, University of Cambridge
  - + **Dr. Tzachi Zach**, Assistant Professor of Accounting & MIS, Fisher College of Business, The Ohio State University
- 



## NATIONAL CENTER FOR THE MIDDLE MARKET

**Fisher College of Business at The Ohio State University** is dedicated to uniquely preparing the next generation of business leaders through distinguished faculty and a highly innovative curriculum. Key to Fisher's mission are interdisciplinary business partnership centers, such as the National Center for the Middle Market, focused on issues of great strategic importance to the global business community.

**[MIDDLEMARKETCENTER.ORG](http://MIDDLEMARKETCENTER.ORG)**



In Collaboration With



**THE OHIO STATE UNIVERSITY**  
FISHER COLLEGE OF BUSINESS