INDUSTRY MARKET PROFILE

[238220] Plumbing, Heating, Air Conditioning Contractors

Sector: Construction

Market Area: Zip Code 17011,17043,17055

Release Date: Apr-2023

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About the Data

DEC-07-2023

Bizminer data is widely accepted for industry analytical work, benchmarking, valuations, forensics and litigation. Bizminer content is accepted in US Tax Court (Bauer vs. IRS: T.C. Memo. 2012-156) and is utilized by state, provincial and national taxing agencies in the US and Canada.

Raw data analyzed for Bizminer reports is sourced from an array of the nation's government and private statistical sources. None of these raw data sources creates the final measures reflected in Bizminer industry profiles. In total, Bizminer accesses over a billion sourced data points from 15 million business operations for each of its twice annual updates covering a 3-5 year time series. Historical data and Bizminer algorithms are used to inform and test projections for non-reporting firms. Data elements are sourced specifically from the sources listed below:

While 100% firm coverage is desirable for analysis purposes, the greatest value of Bizminer reports rests in discerning patterns of activity, which are reflected in the large samples used to develop our reports. The overall current coverage of the databases surpasses 13 million active business operations at any point in time. As is the case with any databases this large, some errors are inevitable. Some firms are missed and specific information on others is lacking from the database. Not all information received is uniform or complete, resulting in the need to develop projection algorithms for specific industry segments and metrics in some report series. No representation is made as to the accuracy of the databases utilized or the results of subsequent analyses.

- IRS Statistics of Income
- IRS SOI Corporation Tax Book
- IRS Statistics of Income
- US Economic Census
- US Census Quarterly Financial Reports
- US Census County Business Patterns
- Bureau of Labor Statistics Monthly Employment Reports
- Bureau of Labor Statistics Monthly Unemployment Reports
- Bureau of Labor Statistics Annual Wage Survey
- Bureau of Labor Statistics Industry Productivity Reports
- Bureau of Labor Statistics Price Indices
- National Agricultural Statistical Service
- US Census Quarterly Financial Reports
- US Census Retail Trade Report
- Data Axle
- Business Valuation Resources (BVR)
- Credit Reporting Agencies
- Business Directories
- American Community Survey

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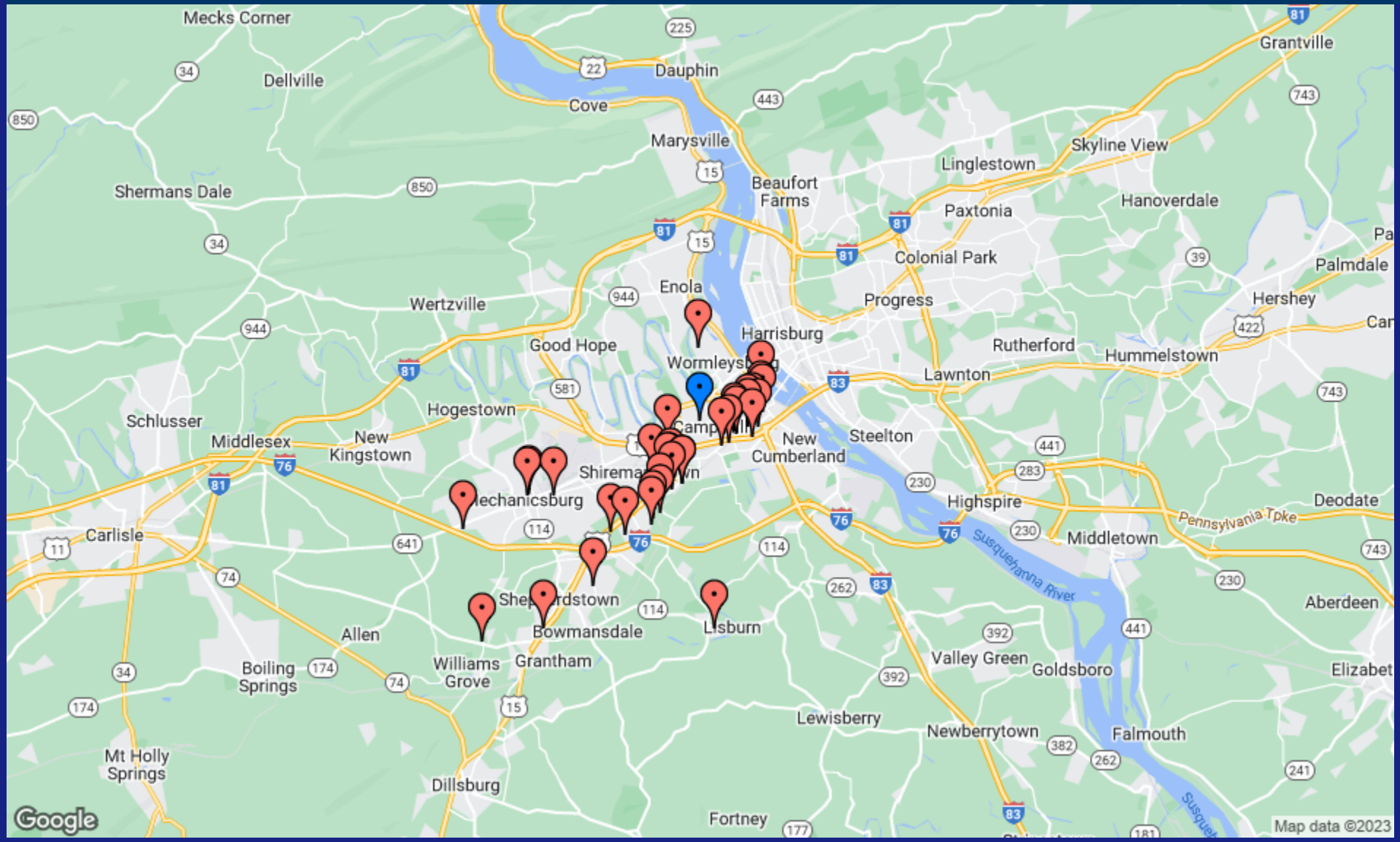
Map

Industry Locations

Apr-2023 Industry Market Area Operations (up to 250 closest in market area)



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Competitors

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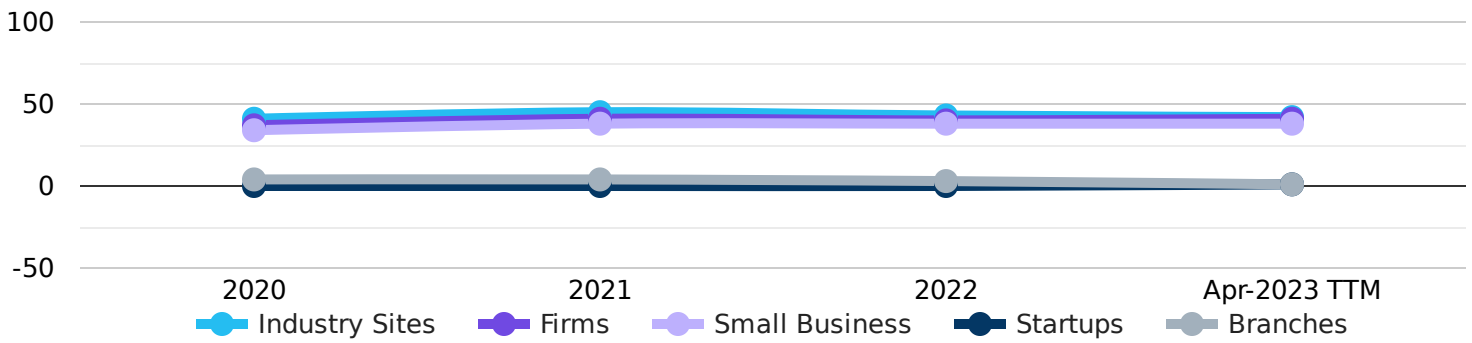
Table

Industry Market Area Operations

	2020	2021	2022	APR-2023 TTM
Industry Sites	41	45	43	42
Firms	37	41	40	41
Small Business	34	38	38	38
Startups	0	0	0	1
Branches	4	4	3	1

Apr-2023 Industry Market Area Operations



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Industry Market Volume

DEC-07-2023

VOLUME ($)

Industry Market Area Operations

	2020	2021	2022	APR-2023 TTM
Industry	$75,708,720	$82,152,877	$84,658,809	$86,876,220
Small Business	$41,799,744	$47,133,286	$54,691,089	$55,497,048
Startup	$213,264	$220,249	$249,731	$259,332

SHARE (%)

Industry Market Area Operations

	2020	2021	2022	APR-2023 TTM
Industry	100.00	100.00	100.00	100.00
Small Business	55.21	57.37	64.60	63.88
Startup	0.28	0.27	0.29	0.30

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Average Annual Sales($)

DEC-07-2023

Average Annual Sales ($)

	2020	2021	2022	APR-2023 TTM	% CHANGE:2021 TO APR-2023 TTM
Average Site	1,846,554	1,825,619	1,968,810	2,068,481	5.06%
Median Site	853,056	880,996	998,924	1,037,328	3.84%
Small Business	1,229,404	1,240,350	1,439,239	1,460,449	1.47%
Startups	0	0	0	259,332	0%

Competitive Market Narrative

Average annual industry site sales are $2,068,481, including branch operations controlled from outside the market area. Median site sales are $1,037,328. Market area small business sales average $1,460,449 and 28.97% above median market area industry sales.

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COVID-19 Impact

DEC-07-2023

Month-To-Month Employment-Sales

	EMPLOYMENT	MONTHLY INDUSTRY MARKET VOLUME	AVERAGE MONTHLY SITE SALES
Dec-19	$41	$721,364	$17,594
Mar-20	$40	$708,632	$16,872
Apr-20	$24	$425,683	$10,135
May-20	$24	$425,683	$10,135
Jun-20	$42	$754,487	$17,964
Jul-20	$43	$754,809	$17,972
Aug-20	$71	$1,246,682	$29,683
Sep-20	$70	$1,236,738	$29,446
Oct-20	$72	$1,265,895	$30,140
Nov-20	$71	$1,263,177	$30,076
Dec-20	$70	$1,224,975	$29,166
Jan-21	$68	$1,190,527	$28,346
Feb-21	$69	$1,219,676	$29,040
Mar-21	$69	$1,226,495	$29,202
Apr-21	$70	$1,252,521	$29,822
May-21	$71	$1,274,399	$30,343
Jun-21	$73	$1,341,136	$31,932
Jul-21	$72	$1,317,799	$31,376
Aug-21	$73	$1,331,700	$31,707
Sep-21	$71	$1,333,593	$31,752
Oct-21	$71	$1,369,543	$32,608
Nov-21	$70	$1,349,764	$32,137
Dec-21	$73	$1,446,364	$34,437
Jan-22	$70	$1,437,869	$34,235
Feb-22	$40	$830,533	$19,775
Apr-23	$41	$894,554	$21,299
May-23 Advance	$41	$894,554	$21,299

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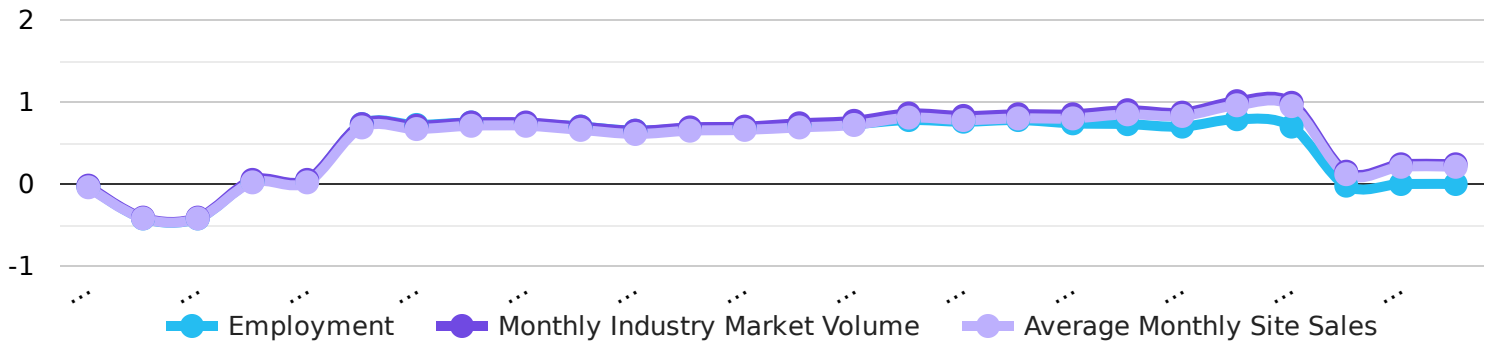
% Change From Dec-19

	DEC-19	MAR-20	APR-20	MAY-20	JUN-20	JUL-20	AUG-20	SEP-20	OCT-20	NOV-20	DEC-20	JAN-21	FEB-21	MAR-21	APR-21
Employment	-0.03%	-0.42%	-0.42%	0.03%	0.04%	0.73%	0.72%	0.75%	0.74%	0.70%	0.65%	0.68%	0.69%	0.71%	0.73%
Monthly Industry Market Volume	-0.02%	-0.41%	-0.41%	0.05%	0.05%	0.73%	0.71%	0.75%	0.75%	0.70%	0.65%	0.69%	0.70%	0.74%	0.77%
Average Monthly Site Sales	-0.04%	-0.42%	-0.42%	0.02%	0.02%	0.69%	0.67%	0.71%	0.71%	0.66%	0.61%	0.65%	0.66%	0.69%	0.72%

	MAY-21	JUN-21	JUL-21	AUG-21	SEP-21	OCT-21	NOV-21	DEC-21	JAN-22	FEB-22	APR-23	MAY-23 ADVANCE
Employment	0.78%	0.76%	0.78%	0.74%	0.73%	0.70%	0.79%	0.70%	-0.02%	0	0	
Monthly Industry Market Volume	0.86%	0.83%	0.85%	0.85%	0.90%	0.87%	1.01%	0.99%	0.15%	0.24%	0.24%	
Average Monthly Site Sales	0.81%	0.78%	0.80%	0.80%	0.85%	0.83%	0.96%	0.95%	0.12%	0.21%	0.21%	

Monthly Change Index (Dec-19=1.00)



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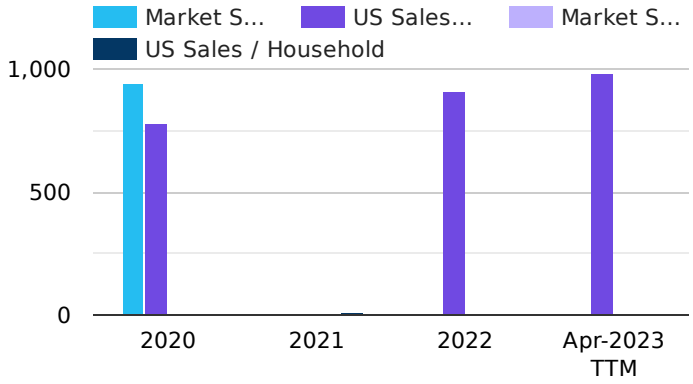
Penetration

DEC-07-2023

Market Penetration ($)

	2020	2021	2022	APR-2023 TTM
Market Sales / Person	$942	1,022	1,054	1,081
US Sales / Person	$782	$4	$912	$984
Market Sales / Household	2,200	2,387	2,460	2,525
US Sales / Household	1,846	$9	2,152	2,320

Industry Market Volume($)



Competitive Market Narrative

The Plumbing, Heating, Air Conditioning Contractors industry captures $1,081 in sales per person within the market area, while national levels are at $984. Market area sales per household are calculated at $2,525; by contrast, US industry sales per household are $2,320.

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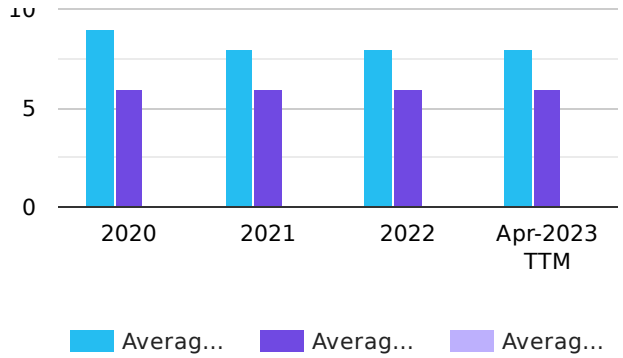
Employment

DEC-07-2023

Industry Employment

	2020	2021	2022	APR-2023 TTM
Industry Total	355	373	339	335
Average Operation	9	8	8	8
Average Small Business	6	6	6	6
Average Startups	0	0	0	0

Apr-2023 Average Industry Employment



Competitive Market Narrative

In 2022, the Plumbing, Heating, Air Conditioning Contractors industry supported 339 employees in the market area, without change since 2020. Of these, 268 are employed in small business operations of fewer than 25 workers.

Employment

How steady is industry employment? Does your firm employ more or less than the average in this industry market? This section reports on industry and small business employment. If you input employment history for your firm, it is benchmarked against the averages.

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Productivity

VALUES

Sales Per Employee ($)

SALES PER EMPLOYEE ($)	2020	2021	2022	APR-2023 TTM
US	212,563	219,526	248,911	258,480
Market Area	213,264	220,249	249,731	259,332
AVERAGE ANNUAL WAGE ($)	**2020**	**2021**	**2022**	**APR-2023 TTM**
US	60,904	61,916	64,560	65,370
Market Area	64,379	65,449	68,244	69,100
RENT PER EMPLOYEE ($)	**2020**	**2021**	**2022**	**APR-2023 TTM**
US	0	0	0	0
Market Area	0	0	0	0

Competitive Market Narrative

In 2022, the Plumbing, Heating, Air Conditioning Contractors industry supported 339 mployees in the market area, without change since 2020. Of these, 268 are employed in small business operations of fewer than 25 workers.

Values

Is your sales per employee efficiency measure above or below the US industry and market average? Sales per Employee levels are compared to your firm levels if you input both sales and employment for those years.

Average annual industry wages and rent per employee are displayed and benchmarked against your firm wage levels if they were input.

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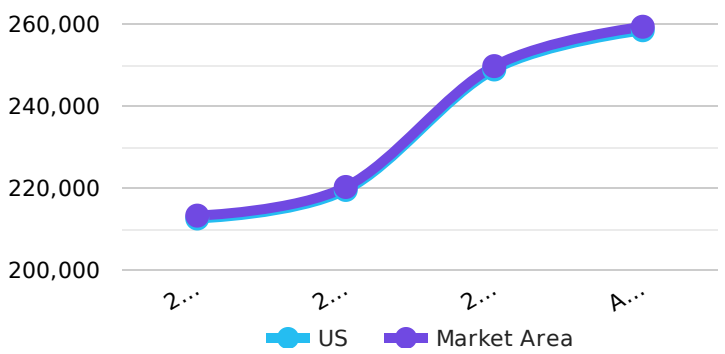
Chart

Sales Per Employee ($)



Competitive Market Narrative

In 2022, the Plumbing, Heating, Air Conditioning Contractors industry supported 339 employees in the market area, without change since 2020. Of these, 268 are employed in small business operations of fewer than 25 workers.

Chart

How much more or less efficient is your operation relative to the competition? The Sales per Employee Index expresses your firm's SPE as a percentage comparison to market and US levels where 100% reflects the same level. A zero per cent rating (+0%) indicates parity with the market benchmark.

The Efficiency Index divides sales per employee by average annual worker salary. Non-wage factors may also affect efficiency but are not represented by this index.

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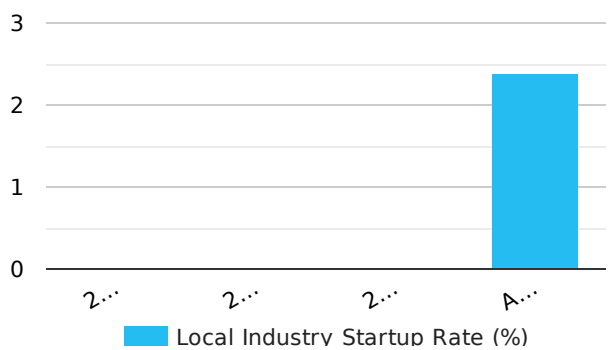
Startups

Startup Performance (Firms)

	2020	2021	2022	APR-2023 TTM
Population	0	0	0	1
Average Sales ($)	0	0	0	259332
Market Volume ($)	213264	220249	249731	259332
Market Share (%)	0.28	0.27	0.29	0.30
Local Industry Startup Rate (%)	0.00	0.00	0.00	2.38
US Industry Startup Rate (%)	0.08	0.08	1.02	1.12
Local Industry Startup Index (US=1.00)	0.00	0.00	0.00	2.13

Industry Startups (2 Years)



Competitive Market Narrative

How vigorous is industry entrepreneurship in the market area? Defined as operations in business for two years or less, 1 independent industry startups and new branch operations were identified in the market area in Apr-2023, creating a new operation rate of 2.38% in the most recent analysis year, greater than the national rate of 1.12%. Unusually low new operation rates can indicate market saturation or lack of perceived opportunity, while high rates suggest both opportunity and the recognition of it. Startup rates are calculated by dividing the number of industry market startups by the total number of operations for which an age is known. (Due to the limited number of new operations at any given time, this indicator may be less useful in small local market areas.) Industry startup operations hold a 0.30% share of the total local industry market, with average sales of $259,332. Due to the variations in scale, startup sales often diverge from the industry and small business average.

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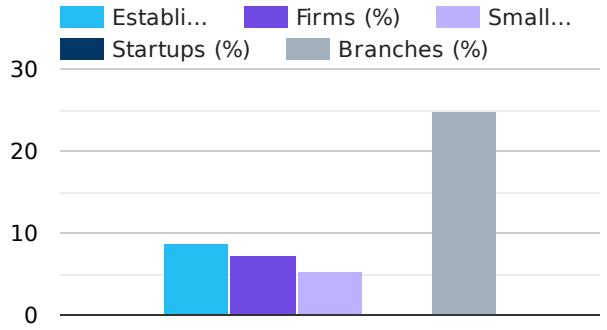
2018-2019 Cessation Rates

2018-2019 Cessation Rates

	2019
Establishments (%)	8.89
Firms (%)	7.32
Small Businesses (%)	5.26
Startups (%)	0.00
Branches (%)	25.00

2018-2019 Cessation Rates



Competitive Market Narrative

Over 2021-2022, 8.89% of industry establishments (firms and branches), 7.32% of all firms and 5.26% in the industry small business segment ceased operation.

Cessation

Cessation rates track the experience of business establishments, firms, small businesses, branches and startups doing business at the start of the time series, and still in operation today.
Firms which relocate but maintain independent operations are considered survivors if they do not move out of the jurisdiction being analyzed. Firms which become subsidiary locations, or whose location is terminated, are grouped with others which ceased operation. Any business entity which does not evidence ongoing operations (for example, by registering with government agencies, credit reporting services or business directories) is considered to have ceased viable operations and is classified in the "ceased operation" category.
Cessation rates occasionally reflect performance above 100% or below 0% due to business migration among industries (changes in primary business line) or (in the case of location-specific cessation rates) to business relocations. Migrants within a NAICS-2 industry sector are considered as survivors in the in- migrant classification.

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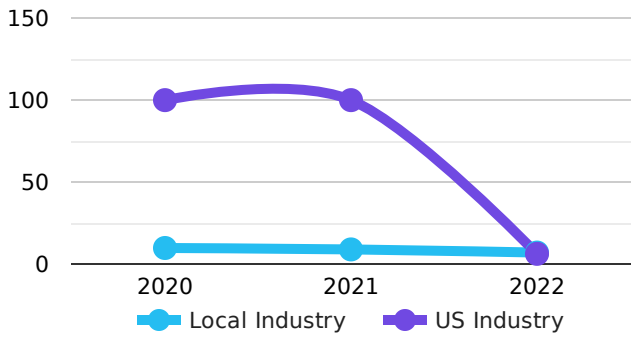
Industry Branch Concentration

Industry Branch Concentration (%)

	2020	2021	2022
Local Industry	9.76	8.89	6.98
US Industry	99.92	99.92	6.19

Industry Branch Concentration (%)



Ownership

Is the Plumbing, Heating, Air Conditioning Contractors industry becoming subject to outside ownership decisions that could affect the market area? Are local entrepreneurs being squeezed out by franchises or branch operations? The analysis includes an indication based on the percentage of industry branch operations as a barometer of relative consolidation trends. Increasing branch levels may indicate long-term pressure on area entrepreneurship. In this industry market, the percentage of branch operations has decreased over the last three years and stands at 6.98. At 6.19, national industry consolidation rates are lower and have also decreased from 2020.

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Market Area Demographics - 2020 American Community Survey

Age		
5-9 Years	4,401	5.48%
10-14 Years	4,621	5.75%
15-19 Years	0	4.97%
20-24 Years	0	5.42%
25-34 Years	0	15.59%
35-44 Years	0	13.00%
45-54 Years	0	13.36%
55-59 Years	5,766	7.18%
60-64 Years	0	5.87%
65-74 Years	0	9.61%
75-84 Years	0	6.06%
85-plus Years	3,042	3.79%
Median Age	40	

Education		
Population 25+ Years	59,828	100.00%
High School Graduate	16,974	28.37%
Some College/Associate's Degree	14,096	23.56%
Bachelor's degree	15,592	26.06%
Graduate/Professional degree	9,046	15.12%
% High School Graduate or Higher (total)	55,708	93.11%
% Bachelor's Degree or Higher (total)	24,638	41.18%

Employment

Population: 16-plus Years	66,618	100.00%
Labor force	41,848	62.82%
Civilian Labor Force	41,758	62.68%
Civilian employment	40,464	60.74%
Unemployed	1,294	1.94%
Work at Home	3,639	
Total Commuters	36,175	100.00%
Commute < 15 Minutes	11,766	32.53%
Commute 15-29 Minutes	16,474	45.54%
Commute 30-44 Minutes	5,308	14.67%
Commute 45-89 Minutes	1,849	5.11%
Commute > 90 Minutes	778	2.15%

Housing

Total Housing Units	34,411	100.00%
Occupied Housing Units	32,701	95.03%
Type of Housing		
1 Unit Detached Housing Structures	20,430	59.37%
1 Unit Attached Housing Structures	5,194	15.09%
2 Unit Housing Structures	1,130	3.28%
3-4 Unit Housing Structures	1,629	4.73%
5-9 Unit Housing Structures	1,454	4.23%
10-19 Unit Housing Structures	1,661	4.83%
20-plus Unit Housing Structures	2,518	7.32%
Mobile Home Housing Units	395	1.15%
Boat-RV-Van Housing Units	0	0.00%

Income

Total households	32,701	100.00%
Below $10k Income	960	2.94%
$10k-14.9k Income	874	2.67%
$15k-24.9k Income	1,960	5.99%
$25k-34.9k Income	2,707	8.28%
$35k-49.9k Income	4,014	12.27%
$50k-74.9k Income	5,549	16.97%
$75k-99.9k Income	5,231	16.00%
$100k-149.9k Income	6,142	18.78%
$150k-199.9k Income	3,031	9.27%
>$200k Income	2,233	6.83%
Median HH Income ($)	73,482	
Mean HH Income ($)	72,928	
Per Capita Income ($)	40,815	

Race / Ethnicity

White	68,369	85.09%
Hispanic (all races)	3,883	4.83%
African American	4,337	5.40%
Native American	87	0.11%
Asian	3,334	4.15%
2-plus Races	3,230	4.02%

Total Population

Total population	80,351	100.00%
Male	40,284	50.14%
Female	40,067	49.86%

Competitive Market Narrative

This competitive industry market area analysis includes the Zip Code 17011,17043,17055. In Apr-2023, the market area economy supports a total private sector business base of 999999999999999 local operations. Total population in the market area is 80,351 including 32,701 households with a median age of 40. 41.18% of the population boasts a bachelor's degree or higher; another 23.56% holds an associate degree. Median housing value in the market area is $205,643, while the median rent level is $1,078 per month. Per capita income in the market area is $40,815, while average (mean) household income is $72,928 and median household income is $73,482. 34.88% of market area households earn over one hundred thousand dollars per year. Population demographics are applied from the Census Bureau's American Community Survey. Data for zip-county-metro-state and US markets are applied directly. Demographic totals for radius-based markets are applied at the level of aggregated zip codes which are co-joined to the selected market radius.

Demographics

Population demographics are applied from the Census Bureau's American Community Survey. Data for zip-county-metro-state and US markets are applied directly. Demographic totals for radius-based markets are applied at the level of aggregated zip codes which are co-joined to the selected market radius. Elements of this data are also integrated into our Sales per Person and Sales per Household calculations displayed on the Penetration>Table tab.