

The U.S. Commercial Cleaning Services Industry **December 2022**

Table of Contents

	Page
<u>Introduction: Sources and methodology used</u>	1-4
<u>Industry Structure & Definition</u>	5-9
Industry Nature & Definition: Description of the industry's major segments, services provided, NAICS codes by the Census to collect data	
<u>Industry Trends</u>	10-14
* Discussions of: cost pressures, vendor consolidation, diversification, shrinking office markets, hiring and training of employees, franchising, green cleaning, common measures of industry size, factors affecting demand.	
<u>Leading Competitors</u>	15-17
* Major Commercial cleaning companies estimated share of industry receipts	
<u>Tables:</u>	
- The major commercial cleaning franchises: 13 companies' systemwide sales: 2019.	
- Top franchises (no. of units 2010-2019, initial franchise fee, royalty %, investment costs)	
<u>Factors Affecting Demand</u>	18-28
* Analysis of the amount of commercial floorspace nationwide	
* Outlook for commercial & office construction activity and indicators: value of non-residential construction, commercial office vacancy rates in major metro areas & nationwide	
* Outlooks by: Natl. Assn. of Realtors, CB Richard Ellis, Jones Lang LaSalle: 2019-2020 mkt. status	
* Findings of 2018 BOMA Experience Exchange Report: commercial office and industrial expense trends, occupancy	
* Industrial and commercial building outlook	
* Medical building construction outlook	
* Amount of existing commercial floor space by U.S. and by region (1979-2012) share of space by type activity (retail, education, healthcare)	
* Commercial office vacancy rates, by 10 largest cities, office mkts. with highest vacancy rates	

Tables:

- Amount of commercial floorspace in the U.S. – 1989-2025 F (EIA survey)
- Distribution of floor space, by main building activity: 2012
- No. of buildings and % of total floor space by type activity (education, health care, lodging, retail, offices, warehouses, etc.), by region (1986, 1989, 1992, 1995, 1999, 2003, 2012)
- Distribution of commercial floor space, by size of building: 2012
- Distribution of commercial floor space, no. of buildings, by Census region: 2012
- Value of new construction of non-residential buildings, by type building/sector: 2008-2019
- Value of new construction of non-residential buildings: 1990-2019
- National office vacancy rates: 2007-2019 (NAR)
- Top 10 office markets with highest vacancy rates
- U.S. healthcare expenditures & construction spending on structures: 1995-2020 projections.

Industry Size & Growth, Market Segments

29-44

- * Discussion/analysis of 3-tiered mkt. structure (large contractors vs. small independents, and franchise organizations vs. non-franchise cleaners), estimated share by top firms
- * Discussion of major factors affecting demand: growth drivers
- * Industry size estimates; rationale for estimates by various sources – based on amount of commercial Floorspace, based on Census survey data – receipts of establishments nationwide, Marketdata's estimates/forecasts, factors affecting recent growth
- * Analysis of employer vs. non-employer estabs. and receipts: 2000-2020
- * Industry Segment growth: analysis of janitorial revenues vs. total building maint. industry.
- * **2020 - probable effects of COVID-19 pandemi:** outlook for non-residential construction, office vacancy rates, effect on small vs. large contractors, cleaning methods needed
- * **2021-2025 Forecast:** discussion of long-term effect on the industry, post-recession changes
- * Value of major industry segments in 2019: commercial office, industrial, healthcare, education, retail, other.

Tables:

- Total industry potential, \$ value and % change (1992-2020)
- Total industry revenues forecast: 2020 - 2025
- Share of total receipts by exterminating/pest control, janitorial, carpet cleaning, "all other" building cleaning & maintenance services: 2000-2017
- Total industry receipts, by major segments, annual % change (2000-2017, Census Bureau): total Industry, pest control, janitorial, carpet cleaning, other services to buildings
- Amount of commercial floorspace in U.S. – 1989-2025 Forecast
- Annual percent change in janitorial services receipts: 2001-2017

- Historical share of industry sales by pest control, carpet cleaning vs. janitorial/all other services: 2000-2017
- Employer vs. non-employer receipts: 2000-2020
- Historical industry receipts (1983-1998) - Census Bureau data.

Industry Operating Ratios

45-53

Census Data

All Building Maintenance Services

- * Explanation of how to interpret Census data, how the data is arranged/classified by NAICS codes, and major market segments, 2017 Census
- * Summary: discussion of total building services receipts in 2017, breakdown by type (janitorial services, pest control, carpet cleaning, all other maint. services)
- * Labor productivity ratios: 2017 vs. 2012
- * Discussion of Non-employer receipts (sole proprietorships without payrolls) IRS data 2012
- * Summary statistics: 2007, 2012, 2017 - no. of estabs; total industry vs. disinfecting/pest control, other services; annual receipts; payroll costs; no. of workers; payroll per employee; receipts per employee, receipts per establishment.

Statistical Tables:

Total Industry

- Receipts of all services to buildings (excl. landscaping) – pest control, janitorial, carpet cleaning, all other services: 2000-2017 (no. of estabs., receipts, receipts per estab.)
- Industry snapshot: 2002, 2007, 2012, 2017: key ratios (payroll, no. estabs., receipts, etc.)
- Annual % change in receipts of janitorial vs. ALL building services: 2001-2017
- Employer vs. non-employer estabs. – no. of estabs. and receipts

Janitorial Services

- Single vs. multi-unit operations, by size (statistics as above) 2017
- Concentration Ratios : ratios by top 4, 8, 20, 50 largest firms: 2017.

Reference Directory

53-62

List of industry trade associations, trade journals, consultants