Greater Dallas is the 5th largest middle market in the U.S.

In Dallas, there is a greater presence of midsize businesses in the Administrative Services industry relative to the national middle market.

Top 10 Dallas Midsize Business Industries

<table>
<thead>
<tr>
<th>Industry</th>
<th>ANNUAL REVENUE</th>
<th>MIDSIZE BUSINESSES IN GREATER DALLAS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>44%</td>
<td>8,300</td>
</tr>
<tr>
<td>Professional Services</td>
<td>11%</td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Healthcare</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Professional Services</td>
<td>6%</td>
<td></td>
</tr>
<tr>
<td>Accommodation</td>
<td>7%</td>
<td></td>
</tr>
<tr>
<td>Retail</td>
<td>5%</td>
<td></td>
</tr>
<tr>
<td>Transportation</td>
<td>8%</td>
<td></td>
</tr>
<tr>
<td>Food Service</td>
<td>2%</td>
<td></td>
</tr>
</tbody>
</table>

There are also opportunities for additional supplier certification support (e.g., diversity, industry, safety certifications) among diverse-owned businesses in Dallas.

Top challenges reported by Dallas midsize businesses:

- Maneuvering in a competitive business environment: 59%
- Enhancing revenue growth: 42%
- Navigating economic uncertainties: 41%
- Meeting customer needs: 40%
- Technology implementation: 39%
- Business relationships: 38%
- Marketing: 37%
- Providing superior customer service: 36%
- Developing new products: 35%
- Expanding market presence: 34%
- Access to new markets: 33%
- Creating an innovative culture: 32%
- Developing new business: 31%
- Seizing new growth opportunities: 30%
- Improving supplier relationships: 29%
- Establishing a business plan: 28%
- Understanding the financials: 27%
- Expanding brand recognition: 26%
- Managing human resources: 25%
- Improving business processes: 24%
- Managing capital: 23%
- Monitoring competitors: 22%
- Improving supply chain management: 21%
- Improving market share: 20%
- Improving advertising: 19%
- Developing distribution channels: 18%
- Establishing overseas operations: 17%
- Improving credit status: 16%
- Establishing strategic partnerships: 15%
- Improving labor relations: 14%
- Improving inventory management: 13%
- Improving financial performance: 12%
- Improving technological capabilities: 11%
- Improving sales force effectiveness: 10%
- Making acquisitions: 9%
- Improving administrative functions: 8%
- Improving prices: 7%
- Improving per capita sales: 6%
- Improving customer satisfaction: 5%
- Improving margins: 4%
- Improving market share: 3%
- Improving product mix: 2%
- Improving productivity: 1%
- Improving quality: 0%

MIDSIZE BUSINESS CHALLENGES IN DALLAS

<table>
<thead>
<tr>
<th>Challenge</th>
<th>DIVERSE-OWNED BUSINESSES</th>
<th>NON-DIVERSE-OWNED BUSINESSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top barriers to accessing advisory services reported by Dallas midsize businesses include:</td>
<td>46%</td>
<td>33%</td>
</tr>
<tr>
<td>Lack of offerings from current providers</td>
<td>25%</td>
<td>15%</td>
</tr>
<tr>
<td>Uncertain of the services needed</td>
<td>24%</td>
<td>15%</td>
</tr>
<tr>
<td>Lack of awareness of the services needed</td>
<td>23%</td>
<td>15%</td>
</tr>
<tr>
<td>Uncertain of the service providers</td>
<td>22%</td>
<td>15%</td>
</tr>
</tbody>
</table>

While many midsize businesses tap into personal relationships to access new advisory supported services, a quarter of diverse-owned businesses look to their banking relationships for advisory support, compared to only 15% of non-diverse-owned businesses.

Opportunities exist to provide more support to midsize businesses in Dallas.

Closing the revenue gap for Dallas diverse-owned midsize businesses presents an opportunity to generate $46B in additional revenue.

DIVERSE-OWNED MIDSIZE BUSINESSES* represent approximately 36% of the number of midsize businesses, but account for approximately 23% of the revenue.

*"Diverse-owned" businesses includes Black-, Hispanic-, Latino(a)-, Asian-, and other people of color-owned businesses, women-owned businesses, and veteran-owned businesses.