

Why are MSBs important?

For most, the term 'mid size business' (MSB) usually conjures up images of very little – or confusion with the SME concept.

Despite their tremendous performance and contribution, MSBs remain unrecognised and underserved. Too big to benefit from incentives aimed at small business and too small to grab talent and attention like FTSE companies, MSBs fall into a regulatory, policy and profile gap.

This was both the catalyst and starting point for our research.

Download the full 2019 Mid Size Business Leadership Study:

www.msbleaders.com and follow us on Twitter @MSBLeaders



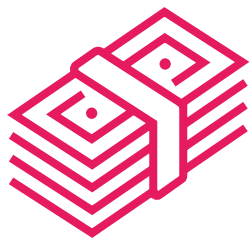
MSBs outperform on growth and profit

They have grown faster and generated larger profit growth over the last five years than small businesses and large companies combined.¹



MSBs outstrip everyone in terms of productivity

They are now Britain's most productive segment – ahead of both small and large companies.⁵



£413,000,000,000

MSBs can contribute even more

They will be contributing and estimated £413bn to the UK economy by 2020 and if barriers to MSB growth are removed they could add an additional £50bn by 2020.⁹



MSBs are critical to regional economies

There are around 29,730 MSBs in the UK in 2018, with 75% outside London.¹¹

The main concentration of MSBs are in London and the South East – beyond this the highest concentrations are in the North West, East and West Midlands.¹²

The sectors with the highest representation of MSBs are production (17%); wholesale (16.5%); construction (10%); professional, scientific and technical (9%); and business administration (8%).¹³

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MSBs disproportionately demonstrate 'value-creation' capabilities

MSBs are aspiring to increase revenues, create more full-time jobs and embrace disruptive technologies such as AI. They also spend over 20% of the UK's entire R&D spend.

MSBs innovate more

A higher proportion of MSBs report they are innovating more than small businesses or large enterprises, as well as obtaining a greater percentage of revenues from innovation.⁶



MSBs are better equipped for Brexit

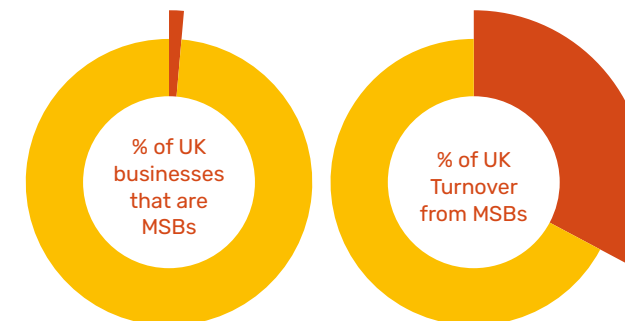
They have navigated Brexit uncertainty better than large enterprises and small businesses, increasing overseas turnover by 11%. By comparison, small and large businesses have seen a contraction in overseas turnover.⁷

MSBs create more jobs

Between 2016 and 2017, MSBs created more jobs in the UK than both small and large companies combined.²

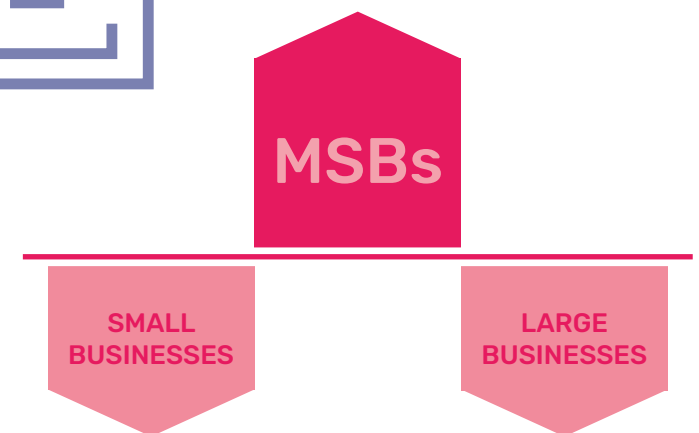
In 2016 alone they created around 780,000 jobs in the UK and were responsible for 1 in 6 jobs.³

It is estimated that 5 million people will be employed by mid size businesses (MSBs) by 2020.⁴



MSBs contribute disproportionately

MSBs represent only 1.5% of all UK businesses but contribute a staggering one third of all UK turnover⁸ and 22% of tax receipts.



The number of MSBs is increasing

While the numbers of small businesses and large enterprises are in decline, the number of MSBs is increasing.¹⁰ It is estimated the number of MSBs in the UK rose by 5% from 2015 to 2017.