

Introduction

This report presents the results of Profit Planning Group's 2008 Employee Compensation Study of the Distribution Industry. This study analyzes 2007 compensation data submitted by 1,704 U.S. firms for over 7000 locations. NAW co-sponsored the study along with 30 other distribution organizations. 670 firms were members of NAW.

The complete results are presented in two documents. Combined, they provide the most complete source of information about compensation and benefit practices available for distribution industries.

Volume 1: NAW Detailed Report

The detailed report presents the analysis of participating NAW firms. Where appropriate, NAW results are compared with the results of all participants.

This report provides information about both executive and employee compensation including salaries, bonuses, commissions and perks. It also includes details about fringe benefits such as health insurance, retirement programs, and employee time off.

Volume 2: Industry Report

The industry report presents the analysis of all participating firms. Firms were categorized into over 20 sales volumes and over 100 geographic areas.

Understanding the Numbers

Both of these reports present median results. The median is the middle value in the sorted list of all values reported for an item. Compared to the average or mean, the median is not influenced by extreme values and therefore best represents a typical firm.

Sections presenting ranges for wages and compensation describe the middle range of results. The middle range spans the half of all responses that lie between the 25th to the 75th percentiles.

Note that bonus figures include overtime, commissions, bonuses, and incentives.

Throughout the report, n/a designates results that are not available due to insufficient data.

	<u>Typical U.S. Dist.</u>	<u>Distributors Over \$20 Million</u>	<u>Typical Private Distributor</u>	<u>Typical Public Distributor</u>
Typical Participant Profile				
Number of Firms Reporting	1,704	670	609	46
Sales				
Typical Firm Sales	16,159,893	62,000,000	60,214,868	363,000,000
Typical Branch Sales	7,193,583	11,950,430	6,542,214	104,516,178
Employees				
Number of Employees (FTE)	47.8	127.0	123.5	645.7
Employee Turnover Rate	17	18	18	25
Operations (% of firms)				
Local	25	13	15	0
Regional	59	65	68	35
National	11	15	13	35
International	5	6	4	30
Ownership (% of firms)				
Private Company	96	93	100	0
Public Company	4	7	0	100
Organization (% of firms)				
Sole Proprietorship	1	2	2	2
Partnership	2	2	2	0
S Corporation	53	53	55	24
C Corporation	37	35	33	62
Limited Liability Corp. (LLC)	7	8	8	11
Limited Liability Partnership (LLP)	1	1	1	0